THE CHINA WEEKLY REVIEW

密勒氏評論報

A Weekly Newspaper Established in 1917

December 9, 1939

Finland Resists Soviet Invasion; Indignant World Pillories Stalin Regime

Japanese Bomb Missions

Shansi is Still Unconquered

BY C. Y. W. MENG

Grew, Nomura Hold Talks

Does Japan's War in China Pay?

By John Ahlers

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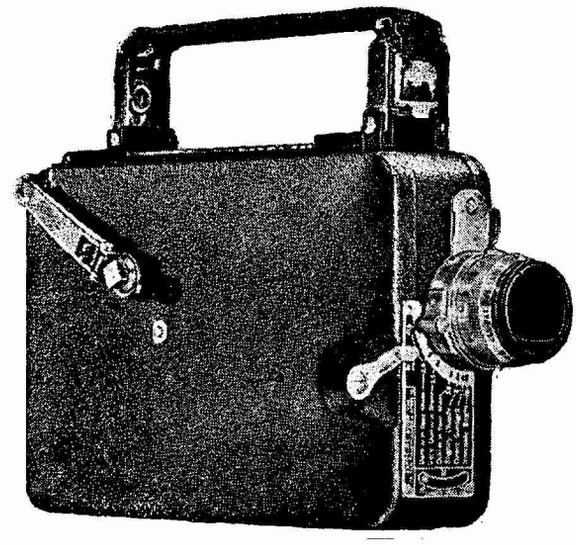

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What People Are Saying

Comments from Readers on Current Topics are cordially invited; their opinions, however, do not necessarily represent the views of the *China Weekly Review.*

COOPERATIVE REPORT

To the Editor:

Since the outbreak of the Sino-Japanese undeclared war, the Chinese Industrial Cooperatives, the so-called "Guerrilla Industries," are considered one of the most effective measures adopted by our National Government in facing the Japanese economic pressure. Being a zealot in this enterprise, I wish to take this opportunity to report you some vivid activities which might be interesting to every one who is desirous to know something relating to C.I.C. here.

Under the direction of Mr. Rewi Alley, the chief technical advisor and the founder of this movement, everything goes on smoothly and efficiently in the Southeast area. Beginning from December last up to present a total of 245 Coops have been organized. To state it clearly, 188 Coops are now active in Kiangsi, 40 in Kwangtung, 14 in Fukien, two in Anhwei, and one in Chekiang. With the aim to carry out the works effectively, 18 depots have been established in minor cities of different provinces, under the instruction of regional headquarters, to look after the Coops. The classification of Coops are different in nature. As shown by statistics, 41.08% are connected with food-manufacturing, building-material producing, paper-making, and wood oil pressing; 31.32% in chemical production; 8.10 per cent in mining exploitation; 2.70% in communication-building; 15.18% in cotton spinning and weaving; 1.08% in machine-making; and 0.54% in electrical-tool manufacturing. The monthly production figure, as estimated, ranges from $300,000 to $400,000. More than 12,000 workers including refugees from war zones, skilled labor from coastal provinces, conscripted family members, wounded soldiers, disabled, crippled, both male and female, are engaged in building this new national economic defense line.

We have more than sixty staff members in our Southeast area Headquarters. Most of them are youthful and highly trained at home or abroad. Besides, an American friend, an experienced mechanical repairer, has recently joined our group. Our office building was slightly damaged on July 26 by two bombers. We then removed to our new office building which is far away from the city in order to avoid bombardment. Our new office building was constructed by our own Coops members.

Just recently, in response to an urgent request from Chungking for 10,000 cotton padded overcoats for our heroic brothers at the front our office mobilized all sewing Coops in this area in order to attain this objective. All materials, such as cotton, cloth, and buttons are the products of different Coops here. Now Chinese cotton is being spun and woven for our own army by C.I.C. members.

Aside from the above mentioned, we have been running two Training Schools to train the organizers to meet the requirements in different sections. One hundred graduates are being allotted to help different Coops now.

BYRON S. Y. CHAN

Kanhsien, Kiangsi,
November 10, 1939

MASS EXECUTIONS

To the Editor:

You will be surprised to know that in various hsien of Hopei Province, such as An-kuo, Poh-yeh and Tungting-fu, the Japanese authorities, cooperating with the traitors, have organized mass executions which take place in the villages and market places almost daily. The victims are accused of helping the 8th Route Army or refusing to handle F.R.B. notes. Not only have rich farmers been shot or beheaded, but also former teachers and young students of 14 to 20 years of age.

According to my information, they were kidnapped, and then ransom money was demanded of them. If payment was not forthcoming, they were accused of being traitors and executed.

Japanese propaganda against white men is going on in the interior of Hopei, Honan and Shansi provinces. It is directed especially against the British and Americans. Placards calling white men "thieves, liars and murderers" can be seen in every village. Two miles from the city wall of Tinghsien (100 miles from Peiping) one can see the following slogans on red and white posters, with characters 3 × 2 feet:

"White Men are Thieves and Liars."
"Down With Great Britain."
"America or Red Head Devil is Great Britain's Best Friend."
"Russia is our Second Enemy."
"Boycott Great Britain and her Nationals."
"Beware of the United States of America."
"Boycott British Goods."

Not a day passes without the Japanese news agency reporting "successes" in the mopping-up campaign in Hopei, Honan and Shansi. But the Japanese suffer twenty times more losses than they admit. A number of their lieutenant-colonels, majors, colonels and captains have been killed by guerrillas of the famous 8th Route Army. The Japanese soldiers do not dare to go out at night, but they ransack the villages in the day-time, demanding eggs, chickens and other food—and women. At night, however, the guerrillas come out and punish villages who give information to or help the Japanese. Both sides are playing hide and seek.

TRAVELLER

An-kuo, Hopei,
November 22, 1939

THE CHINA WEEKLY REVIEW
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APPRECIATION

To the Editor:

To date we have received three copies of The Review and enjoy its good presentation of the gist of the news the world over. Your choice of cartoons to illustrate the news of the day is very good also.

J. S.

Siaho (Labrang) Kansu,
November 13, 1939

JAPANESE DIPLOMACY

To the Editor:

Recently you reprinted from an American daily a cartoon depicting Japanese diplomacy slapping itself to the great surprise of bystanders. There is no better example of this than the one of Japan's Ambassador to Washington, a certain Mr. Horinouchi, who, after having landed on American soil, made a speech trying to tell the American people that all is over now in the Far East and Americans can just as well forget there is a China. Mr. Horinouchi's face must be red now from the slappings received from his Prime Minister, Gen. Abe, who last week warned his countrymen that the so-called "China Incident" is not ended by any means; that General Chiang's army is as powerful as ever, and that it will take Japan five or ten years more to get things settled, etc.

Now, with the approaching expiration of the American-Japanese Trade Treaty and impending legislation for an embargo against Japan, great hopes are entertained that what may take Japan years to settle, may take America only months to finish. Though the action is long overdue, I feel sure that not only the peoples in both America and China will welcome it, but it will also meet the approval of the Japanese people, who are now getting tired of their adventure-seeking militarists.

F. K. TSU

Shanghai,
December 1, 1939

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MARSHAL WU PEI-FU PASSES

THE most colorful figure thrust to the front of China's political stage during the so-called "warlord era"—Marshal Wu Pei-fu—died at Peiping in the evening of December 4. He passed away after an emergency operation on his jaw, the cause of death, according to Japanese reports, being blood-poisoning caused by a decaying tooth. The operation, performed by Japanese and German surgeons, failed to save the life of the Marshal, who was 67 years old.

Marshal Wu had lived in obscurity for a number of years following General Chiang Kai-shek's rise to power about twelve years ago. In 1935, he accepted a post as adviser to the Hopei-Chahar Political Council, but went into retirement again when the Japanese Army invaded North China in the summer of 1937. About a year ago, the Japanese made efforts to drag him from his voluntary obscurity and place him at the head of a Japanese-controlled central Chinese government, for which post Wang Ching-wei is now the leading candidate. Marshal Wu resisted the blandishments of the Japanese and did not appear in headlines again until his death was reported early this week.

Born in Peng-lai, Shantung, in 1872, the late warlord started his military career after graduating from the Peiyang Military Academy in 1898, when he joined the Manchu Army in Northern Kiangsu. After the establishment of the Chinese Republic in 1911, he was appointed a regimental commander of the 3rd Division. When the Yunnan revolt broke out against President Yuan Shih-kai, he was appointed commander of the 6th Brigade of the 3rd Division and ordered to suppress the rebellion. He became acting commander of the 3rd Division when his superior, General Tsao Kun, was appointed Military Governor of Chihli in 1916.

After his successful suppression of General Chang Hsun's attempt to restore the monarchy in 1917, Marshal Wu was appointed commander of the 3rd Division. He assumed this post with the rank of General in 1919.

Appointed assistant commander of the forces for the relief of Kwangtung, he was ordered by the Peking Government to subdue the Southern Government at Canton. Launching a peace program between the Northern and Southern Governments, he culminated his efforts in issuing a peace telegram which led to the Peace Conference of February, 1919.

The following year he was appointed high Deputy Inspecting Commissioner of Chihli, Shantung, and Honan and in 1921 his position was strengthened to includethe High Commissionership for Hunan and Hupeh.

Although appointed Minister of War in 1922, he declined to accept this position. In 1923 he was created a Marshal with title of "Fu Wei." In the same year, when Tsao Kun became President, he was made High Inspecting Commissioner of Chihli, Shantung and Honan.

When the Chihli-Fengtien war broke out in 1924, he was appointed Commander-in-chief of the Chihli Expeditionary Forces. Because of the defection of Marshal Feng Yu-hsiang, he was defeated and forced to seek retirement in Hupeh. He came into the limelight again,

Marshal Wu Pei-fu

however, when he helped Marshal Chang Tso-lin defeat the Kuominchun forces in 1926.

His final post was that of Commander-in-Chief of the Anti-Red Army, but he was defeated by Generalissimo Chiang Kai-shek's National Revolutionary Army in 1927 at Wuchang.

He retired from active military life after this defeat living at Shihchih Huanyen, in Peiping.

Marshal Wu Pei-fu, when at the height of his power, almost succeeded an accomplishing what Gen. Chiang Kai-shek succeeded in doing a decade later—the unification of China. Although Marshal Wu made a show of opposing the northward sweep of the Nationalist forces from Canton in 1927, he actually put up little resistance and retired to the north, shortly afterward going into retirement in a temple in Shansi and later in Szechwan.

Like Gen. Chiang, Marshal Wu's political strength was largely derived from the feeling on the part of the people that he was a real patriot, particularly in defending the country against Japan. Although he did not fight the Japanese directly, as Gen. Chiang has done, he did oppose Marshal Chang Tso-lin, who was thought to have Japanese backing. Once Wu gave an interview to an *Associated Press* correspondent in which he declared his intention of driving Chang Tso-lin to Tokyo, if necessary."

Does Japan's War in China Pay for Itself?

BY JOHN AHLERS

THE question is frequently asked: "Does the Japanese conquest of China pay?" This question must be answered in the negative. It touches a problem different from that referred to by the other question which, of late months, has been asked almost as frequently: "Is the Japanese invasion of China beginning to pay its own way?" To this question, the answer is also definitely no.

Both questions, however, fail to reach down to the bottom of things. They imply the presumption that costs and profits of the Nipponese war adventure in China are equally divided among all the Japanese, be it per capita or according to the relative economic and social importance of the various groupings of the Japanese people. This presumption is erroneous. The secret of the Japanese invasion's balance of payments is that the bulk of the cost is being born by people other than those who reap the bulk of the profits. The cost is born by the many, but the profits go to the few. The fundamental fact is that in Japan the profiting few are *in* control, while the paying many are *under* control. This is what continues to keep the whole enterprise going.

A hypothetical Dai Nippon National China War Co., Ltd., capitalized at the amount of Japanese budgetary war costs, debited with all the war expenditure and credited with the total of the booty, by now either would be bankrupt or about to go bankrupt. The directors of such a company would have to face, under the laws of any country, long prison terms for criminal deception of stock and bondholders, if not of embezzlement.

Any attempt to make up the ledger of the Japanese war adventure in China will have to consider costs first. The most conspicuous, and actually by far the largest portion of those costs shows up in the budgetary war expenditure of Japan. For the current Nipponese financial year 1939-40 Tokyo is working with a total budget of some Yen 8,600,000,000, whereof two-thirds have been allotted to the Army and Navy. Of the budget funds turned over to the Nipponese fighting forces, it may be assumed that some Yen 1,000,000,000 is being used for ordinary military and naval expenditure on a peace-time basis, while almost Yen 5,000,000,000 annually are being poured into the bottomless barrel of the China war expenditure. The actual extraordinary "China Incident" budget of Dai Nippon's Army and Navy shows a slightly smaller figure, the difference being due to such budgetary tricks as the booking of expenses for wounded soldiers under the "public welfare" item of the ordinary budget, of the shipment of railway material to China under "investment" accounts, etc.

Besides, there are other substantial costs. There is the Tokyo Government's policy of making peace-time industries indirectly contribute to the running and expansion of war industries. There is the general war strain upon Japan's economy. There is the large loss of lives. In the military budget, as long as there are males enough to be led to slaughter, the loss of a soldier merely results in an additional unit of recruiting and transportation cost. In the farmhouse, however, the loss at the Chinese front of a husband or a son counts terribly. Not considering any of these inconspicuous war costs, and abiding by the budgetary war expenditure figure only, it cannot be denied that Yen 5,000,000,000 annually, or a little more than Yen 400,000,000 monthly, is an extremely moderate estimate of current China war costs to Japan.

How much are the Japanese getting out of China n return for these war costs? The Japanese state gets out of China nothing at all that can be calculated in yen and sen. The new Nipponese conquests in China bring no financial contribution to the Japanese state treasury. Neither are the Japanese military, nor the various puppet regimes in China, remitting any money to that treasury. The Tokyo Government managed to secure a nominal 50 per cent share in the semi-official North and Central China development companies which monopolize mining, iron and steel industries, public utilities, communications and fisheries in the conquered parts of China. The total of these enterprises, however, is not a paying concern. The development companies, upon their inauguration, promised to pay regularly certain minimum dividends,

Fodder For the Cannon

Richmond Times-Dispatch

but a few weeks ago informed Tokyo that they would be unable to pay 1939 dividends unless they were given first, in the form of a special subsidy, the money to pay those dividends.

The Japanese state thus far has spent upon the China war some Yen 10,000,000,000. This money has been raised chiefly in the form of domestic loans, the servicing of which requires about Yen 400,000,000 annually. This service is being born by Japan proper entirely. For the next Japanese financial year, 1940-41, the Nipponese fighting forces require more than Yen 5,000,000,000 China war expenditure. This money also will have to be provided by means of loans. The annual service cost of Japan's China war indebtedness consequently will rise to Yen 600,000,000. This service already today devours more than half the pre-war revenue from direct taxation in Japan. There is no end in sight yet of either the China war or of the over Yen 5,000,000,000 annual Japanese expenditure upon that war. The Japanese military are holding out to their government prospects of a huge war indemnity, to be paid later on, in one form or another, by the pro-Nippon puppet regimes in China. Such prospects, however, exist only in the imagination of the military.

Then are not the Japanese making any money in conquered China? Of course, they are. But the money-makers are not the Tokyo Government, and what they make compares but poorly with the expenditures they incur in order to allow the real money-makers to shear the Chinese sheep. The Nipponese money-makers over here in China may roughly be divided into three categories: the military, the Japanese mammoth business concerns, and a crowd of less than 200,000 Nipponese civilians o

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the employee, agent, medium and small business men, camp-follower and racketeering types. These latter, and the upper stratum of the military, are the real China war profiteers. As regards the Nipponese mammoth concerns, the Mitsui, Mitsubishi, etc, it still remains to be seen whether what they get out of China and the China war today will compare positively, in the end, with their final position in a war-strained, crisis-haunted and largely exhausted Japanese economy. The barometer of these firms' war enthusiasm has been steadily falling for a considerable time.

The Japanese military are making money in occupied China by many means. The largest monetary yield is produced by the levying of direct contributions upon newly-occupied cities and districts: the compulsory circulation of worthless "military notes;" the extraction of special contributions from Nipponese private firms entrusted with the management of expropriated Chinese industrial and other property; the inducement of Japanese trading and transportation firms to pay over part of their profits out of monopolistic exploitation (with military assistance) of certain branches of business. How much of the proceeds from these measures goes, through graft and corruption, into private pockets, cannot be told. The bulk of the proceeds, however, doubtless does not go to individual Nipponese military, but pours into the reptile funds of the so-called Special Services. Some of these funds are reportedly being capitalized by the military to provide them with some reserves of their own for future emergencies; most of it, however, appears to be spent again upon the financing of such expenditure items of the China war as are not covered by the expenses listed in the Tokyo military and naval budget drafts.

The money made in occupied China by the Japanese military thus does not directly alleviate the financial burden which the China war imposes upon Japan proper. The Nipponese military do not use this money to substitute it for funds secured from Tokyo, but to effect a war expenditure yet greater than that drafted in Tokyo. Their income in occupied China merely serves to make them refrain from yet greater demands upon the taxpayers and bond subscribers in Japan proper. Besides, the upper stratum of the Japanese military over here get out of the disposal of these funds certain personal conveniences and, in particular, a much higher and broader living standard than they would enjoy in their home country with its narrow living conditions. That is all. Obviously, to Dai Nippon's military, money-making in occupied China is of vital importance, and they do not think of discontinuing this activity. But there is no reason to talk, in this connection, of the Japanese China war adventure beginning to pay its own way.

The total sum which the Japanese military make in China inside the Great Wall certainly did not surpass, in the last monthly averages, some $50,000,000 of some 5d. exchange value per dollar, which is not much as compared with Tokyo's monthly China war expenditure of over Yen 400,000,000 of 14d. exchange value per Yen 1. Besides, the puppet regimes show a monthly revenue of another $50,000,000, including the Maritime Customs revenue which is deposited with the Yokohama Specie Bank in their name and on account of which the Bank makes continuous substantial "advances" to the puppets. But the puppets spend again all the money they make, and have remained notoriously short of funds. Not only is their administration, as a compulsory one imposed upon an unwilling people, much more costly than Chinese national administration, but the puppet regimes also are notorious for an incredible amount of graft, corruption, racketeering and profiteering of all sorts. The established puppet regimes' revenue does not make them a financial asset to Japan, but merely prevents them from forming another financial liability. The Wang Ching-wei movement, not yet in control of revenues of its own, for the time being depends upon subsidies out of the Japanese Army Special Services' funds.

Money is being made in occupied China also by many Nipponese private interests. There are the large Japanese business concerns which secured for nothing, or in return for only insignificant investments, the management of highly profitable Chinese economic enterprises. There are tens of thousands of medium and small-sized Japanese business firms and individual business men who are getting rich quickly in the occupied areas, or who acquired over here a much better standard of income and living than they enjoyed in their home country. Despite the contributions which Japan's military exact, the wealth which this Nipponese business extracts from overpowered China is considerable in itself. A minor portion of it is being remitted, in various forms, home to Japan proper. The total of these profits, however, continues to amount to very little as against the sacrifices to which the China war is subjecting Japan's economy on the whole. Besides, some of the Japanese mammoth concerns do not appear to have been repaid by their China booty for their war losses in Japan proper. Also, the civilian camp followers of Dai Nippon's Army over here have by no means been all successful. Many of them failed utterly and were compelled to return home broke and disappointed.

It all boils down to the conclusion that the continuation of the Japanese war adventure in China is a paying proposition for the upper stratum of the military, for part of the Japanese business men over here, for the pseudo-Chinese puppet regimes sponsored by the invaders, as well as for a small circle of war profiteers in Japan proper. It is a paying proposition for these circles only because they are in a position to induce the Japanese state to spend continuously upon the China war over Yen 400,000,000 monthly at the expense of taxpayers and bond subscribers in Japan proper. If this latter expenditure is taken into account, the China war remains, financially, a tremendously deficitary enterprise for Japan. Nor is there any financial relief in sight for the future, except through discontinuation of the war. The fact, however, must always be kept in mind, that the profiteers and the subscribers to the deficit are not the same people, and that the former dominate the latter.

Japanese People Have to Tighten Their Belts Yet Another Notch

GREEN tea, soap, dental paste, potted dwarf trees, pet animals, ivory, cloisonne and amber articles, also "cakes of superior quality" are to be taxed in Japan under a new plan for "soaking" the people to pay for the China war, it was reported this week. Taxes on the items enumerated are expected to produce revenue to the amount of Yen 510.000,000, it was stated. Before the new taxes go into effect, however, they have to be approved by the Diet, which is due to assemble again shortly.

An indication of the growing seriousness of Japan's financial situation was a report from Tokyo on Nov. 30 which stated that the note issue of the Bank of Japan had reached an all-time high of Yen 2,923.000,000. This figure, in excess of the authorized limit by some Yen 221.000.000, was expected to rise almost immediately by another Yen 30.000,000 to Yen 40 000.000.

Hitting the Japanese nation literally in the belt, partially polished rice, more nutritious but admittedly less attractive than the fully polished grain, went on the menus of Dai Nippon on Dec. 1 in accordance with Article 8 of the National Mobilization Act. In an effort to make this article of diet more palatable to the people, Dr. Tadasu Saeki, head of the government's Research Institute of Dietetics, issued a statement in which he declared that fully polished rice was not as healthful as the partially polished or unpolished grain. Said to have been an advocate of the use of brown rice for more than 22 years, Dr. Saeki said that "if you eat partially polished rice for half a month you will get used to it. Dark rice will not cause indigestion. Its fat protein vitamin layer is lost when rice is 100 per cent polished."

Finland Resists Soviet Invasion as Stalin Regime is Pilloried by an Indignant World

WHEN Moscow denounced its non-aggression pact with Finland on Nov. 28, it was a foregone conclusion that a Soviet attack on that country was imminent. On Nov. 29, Moscow severed relations with Helsinki, and the following day, at 8 a.m., on the pretext that Finnish troops had fired on Soviet soldiers along Lake Ladoga, Red Army troops moved forward to the invasion of Finland.

Fighting has now been in progress for more than a week, and the results thus far indicate that Stalin is going to have a more difficult time subjugating the small Scandinavian country than Stalin and Hitler together had in conquering Poland. On December 1, the small Finnish port of Petsamo on the Karelian Peninsula in the Arctic was occupied by Soviet troops, who thus gained virtual control of Finland's entire Arctic coast. With Petsamo in their hands, the Red Army could forestall any attempt by other powers to supply arms or other aid to Finland at this point. But by December 2, the Finns, after fierce fighting in which they reportedly wiped out two companies of Soviet troops and captured 36 Soviet tanks, were once more in possession of Petsamo, and bitter fighting is going on there.

The Red Army has succeeded in capturing several Finnish towns and several islands in the Gulf of Finland, cession of which had previously been demanded by Moscow. But at this writing, all the territorial gains have been in the border region and the invading Red forces have not yet reached the "Mannerheim Line"—named after Marshal Baron Karl Gustav Emil Mannerheim, Supreme Commander of the Finnish forces. This line of defenses runs from north to south down the entire length of Finnish territory, from the Arctic to the Bight of Finland.

In the accepted mode of "civilized" warfare, the opening of the Soviet offensive against Finland was accompanied by aerial bombardments of Finnish cities. Helsinki, the capital, Kotka, Kemjaervi, Petsamo, Utti and Kaipiais were bombed by Soviet planes and there have been hundreds of casualties. The building of the Great Northern Telegraph Company in Helsinki was struck by a bomb and this caused an interruption of service. The Great Northern is a Danish concern, which has a cable running across northern Europe and Siberia to the Far East.

When Soviet planes appeared over Helsinki, the Cajander Cabinet resigned and a new Cabinet, headed by M. Vaino Tanner as Premier, took office on Dec. 1. The new government lasted barely a day, and still another Cabinet, headed by M. Risto Ryti, took office the following day. While declaring that it will fight to the bitter end to preserve Finland's independence, the present government, which is reportedly meeting in air raid shelters in Helsinki, has nevertheless made it known that a proposal for negotiations to end the war would not be turned down. Premier Ryti told *United Press* that the Finns were obtaining the moral support of Britain and France and hoped for their diplomatic support, although they feared those countries would be unable to render Finland military assistance due to her isolated position.

Moscow, meanwhile, took a leaf out of Japan's book. Having broken diplomatic relations with Helsinki before the Finnish Government could reply to a Soviet demand for the withdrawal of Finnish troops from the frontier north of Leningrad; and having denounced the Soviet-Finnish non-aggression pact despite Article V of that instrument which provides for conciliation proceedings on questions arising from alleged violations of mutual undertakings regarding non-aggression, Stalin proceeded to set up a puppet "Finnish Government."

Manufactured in Moscow, the puppet regime has been set up at Terioki, a Finnish town which fell before the first onslaughts of the Red Army. It is headed by Otto Kuusinen, a Finnish expatriate, who was Commissar of Education in the short-lived Finnish Revolutionary Government in 1918. When the revolutionary government was vanquished Kuusinen fled to Soviet Russia, where for many years he was a leading light in

Kremlin Themis at Work

Detroit News

the Executive Committee of the Communist International. In recent years, he disappeared from view, and his emergence last week was the first indication that he had not been "purged" by Stalin together with all the other old guardsmen of the Bolshevik party.

Unlike Japan, who is still witholding recognition from her China puppets, the Stalin government has accorded full diplomatic recognition to the Kuusinen government at Terioki and withdrawn recognition from the government at Helsinki. Given the quaint title of the "Democratic Republic of Finland"—quaint because the Finnish people have not been consulted in the least—the new regime has entered into a pact with Moscow and "requested" the aid of the Red Army in establishing its sway over all Finnish territory.

Today, the Council of the League of Nations is scheduled to meet in Geneva to consider an appeal by Finland against the aggression of Stalinist Russia. On Dec. 11, the League Assembly will meet to consider the Council's recommendations, if any. Unless Britain and France have decided to render some tangible assistance to Finland, it is certain that the moribund League will do nothing more effective than express sympathy with the victim of aggression.

It may well be that the case of Finland will reveal the final bankruptcy of the League and cause its dissolution. The Argentine Republic and Uruguay have

demanded strong action of the Geneva body and it is reported that they will press for a demonstrative expulsion of Soviet Russia. Moscow, for its part, has declared that convocation of the League Council and assembly is "unfounded" and has declined to take part in the proceedings.

Stalinist hypocrisy and cynicism is revealed in all its nakedness in the communication which Foreign Commissar Molotov sent to M. Joseph Avenol, Secretary-General of the League, early this week. "The Soviet Union is not in a state of war with Finland and does not threaten the Finnish people with war," Molotov declared. "Therefore, reference to Article 11 of the League Covenant is unjustified. The Soviet Union

He Didn't Know it was Loaded

Hannibal Evening Courier-Post

maintains peaceful relations with the Democratic Republic of Finland, with whose government it signed a treaty of mutual assistance and friendship on Dec. 2. This treaty settles all questions which the Soviet Government had been discussing formerly, without result, with the delegates of Finland's former government, which has now resigned."

The rulers of Japan must have been green with envy when they read this statement, for they have never been able to draft such a bland and forthright dismissal of the charges brought against them by China, while their dickerings with their still-unrecognized puppets in this country have failed to produce a treaty which "settles all questions" between Japan and China. Stalin has not, of course, vanquished Finland yet, but Japan will be busy in China long after the last vestiges of Finnish independence have disappeared.

Still more nauseating drivel was dished up by Molotov in a radio speech from Moscow on Nov. 29, the eve of the Soviet invasion of Finland. Said he: "The hostile foreign press claims that we intend conquering Finland and incorporating it in the Soviet Union. This is infamous slander. The Soviet Government never had and has not now any such ambition. Quite the contrary. Had there been a friendly Finnish policy towards Soviet Russia, the latter would have been willing to discuss the question of territorial concessions and the result would have been the union of the Karelian people with the related Finnish people in a united independent state. But the prerequisite for such a state would have been that the Finnish Government did not take a hostile but a friendly attitude toward Soviet Russia, in the interest of both states. . . . We continue to regard Finland as a sovereign independent state. We are in favor of the Finnish people solving all their domestic and foreign problems themselves . . . . Our goal is to establish the security of our frontiers and above all of Leningrad, a city of 3,500,000 inhabitants."

The contradiction between word and deed is all too apparent. Moscow has "recognized" the sovereign independence of Finland by invading its territory after the Finnish Government, in exercise of that sovereignty, rejected sweeping Soviet demands. It permits the Finns to solve all their domestic and foreign problems themselves —by attempting to foist on them a Moscow-made government in whose composition they have had absolutely no say.

The Soviet invasion of Finland, and the brutal cynicism with which the Stalin Government has trampled

FINLAND AND HER PEOPLE

JUTTING southward from the Arctic Sea to the Baltic, Finland is a territory of 134,557 square miles inhabited by 3,667,067 people (1930 census). According to the *Encyclopedia Britannica*, the term "Finn" has a wider application than Finland, being, with its adjective "Finnic," "Finno-Ugro" or "Ugro-Finnic," the collective name of the westernmost branch of the Ural-Altaic family, dispersed throughout Finland, Lapland, the Baltic countries of Esthonia, Livonia and Curland, parts of Russia proper (south of Lake Onega), both banks of the middle Volga, Perm, Vologda, West Siberia (between the Ural Mountains and the Yenissei River) and Hungary.

The Finns are described as "morally upright, hospitable, faithful and submissive, with a keen sense of personal freedom and independence, but also somewhat stolid, revengeful and indolent. Many of these physical and moral characteristics they have in common with the so-called Mongolian race, to which they are no doubt ethnically, if not also linguistically, related."

Finland formed part of the Kingdom of Sweden from 1154 to 1809, when it became an autonomous Grand Duchy of the Russian Empire. It declared its independence on December 6, 1917, right after the Bolshevik Revolution in Russia, and became a Republic in 1919 after a protracted civil war between "Reds" and "Whites" in which the former went down to defeat. Marshal Baron Mannerheim, who then, as today, led the Finnish armies, slaughtered some 30,000 Finnish Reds, or Red sympathizers, when he gained the upper hand. For thus killing off one in every hundred of Finland's population (which was then about three millions) he earned the title of "Finnish butcher" in revolutionary circles.

Lakes cover 17,099 square miles or 11.5 per cent of Finland's total area. These, together with the frigid climate, offer natural barriers to invasion and are expected to aid Finland in her present struggle against the Soviets.

Finland is predominantly an agricultural country, the most important crops being rye, barley, oats, potatoes and hay. Lumber is the most important industry. The country also accounts for an important percentage of the world's nickel production. Other industries, in order of importance, are paper and pulp, iron and machine-building works, textiles, leather, rubber, fur and chemicals.

The Finnish air force, until recently, consisted of 150 planes, nearly all home built. Lately, however, fresh planes have been imported from Italy. Until general mobilization was decreed to meet the threat of Soviet invasion, the effective army numbered 1,842 officers and 31,000 men. The Finnish navy consists of two coast defense ironclads of 4,000 tons, four gunboats, seven torpedo boats and five submarines.

Up to this week, when the United States proclaimed a moratorium, Finland had paid every installment on its last World War debt to the United States as it became due. It was the only country to do so.

on every principle which it formerly professed to uphold, has aroused world-wide indignation. In the United States there is a popular demand for severance of diplomatic relations with Moscow. This suggestion was first voiced by Senator Key Pittman, chairman of the Senate Foreign Relations Committee, and backed up by Senator William King, Democrat of Utah. Ex-President Herbert Hoover has also indicated his support for such a move, but official circles in Washington have intimated that no break is yet contemplated.

American public opinion has been particularly aroused by the rude Soviet rejection of an offer by Washington to mediate in the Soviet-Finnish dispute after Finland had accepted. Moscow also replied rudely to an appeal by President Roosevelt not to continue bombing Finnish cities. Soviet planes, Foreign Commissar Molotov told the American Ambassador, Mr. Lawrence Steinhardt, had only bombed Finnish airdromes. Mr. Roosevelt's note, he said, was "groundless and based on a misunderstanding." The United States, he added, were 8,000 kilometers from Russia and could not judge events, or Russia's aims, in Finland.

After this uncouth and lying statement (Finnish cities were burning as Molotov was speaking to the American Ambassador) President Roosevelt invoked a "moral embargo" against the Soviet Union. Aircraft manufacturers, including the Douglas Aircraft Corporation, responded with an announcement that they would book no more Soviet orders. This announcement was especially timely, since a Soviet aviation mission is at present in the United States for the purpose of placing orders for American planes. Washington has also declared a moratorium on Finland's World War debt.

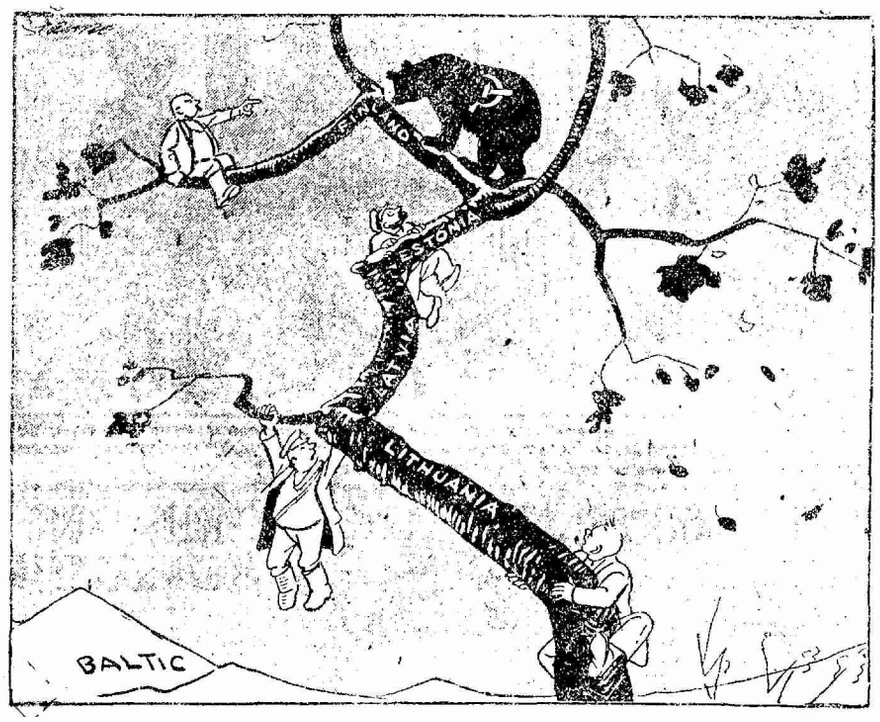
Sweden and Norway are naturally alarmed by the Soviet attack on Finland, wondering whether it will be their turn next. The Swedish government is hastening to "regularize" its relations with Germany, apparently seeing in such a move the one hope of avoiding a Russian invasion, for Soviet troops, having occupied the Arctic coast of Finland, are reported to be within only twenty miles of the Swedish frontier. Toward the end of last week it was rumored that Moscow had sent demands to Norway for the cession of three ports on the Arctic, but the Foreign Office in Oslo, on Dec. 1, said that no Soviet demands had been received "to date." A somewhat reassuring statement appeared in the Moscow organ, *Pravda*, on Dec. 4. The Red Army does not dream of menacing the Nordic countries and will withdraw from Finland as soon as the "People's Government" deems this desirable, the paper declared.

The possibility of a Swedish embroilment with the Soviets is indicated in reports from Stockholm which state that more than 3,000 Swedish nationals have entlised in a volunteer force which will fight with the Finnish Army. The Swedish Government, as far as is known, has not discouraged this display of solidarity with the Finnish cause. And the movement has also spread to Denmark, where several hundred Danes enlisted at the Finnish Legation in Copenhagen.

Rather surprisingly, the Japanese press joined in the world-wide denunciation of Stalin's government for its invasion of Finland and linked it with the situation in the Far East. If the United States, Britain and France failed to give immediate and effective aid to Finland, the Tokyo *Chugai Shogyo* declared, they would "forfeit their voice" in the new situation in East Asia. At the same time, Japanese newspapers featured an article in the Moscow *Pravda* which said that "slanderous reports" spread by the American press would not hamper Japan and the Soviet Union in establishing peace in the Far East. The American press, the Soviet organ claimed, was attempting to intimidate Japan, so that the latter would not enter into friendly relations with the Soviet Union.

Mr. Toshio Shiratori, former Japanese ambassador to Rome and a leading proponent of the Anti-Comintern Pact, asserted last week, according to a *Domei* report from Osaka, that Moscow intended to abandon assistance to the Chungking Government as soon as a non-aggression pact between Japan and the Soviet Union had been signed. Russia's war on Finland, entailing, as it does, the possibility of a large spread of the European conflagration, will make a pact with Japan seem all the more desirable to the Kremlin clique. It seems certain that a new chapter in the Far Eastern crisis is about to open.

The Red Bear Takes a Stroll



Strube in the New York Times

Why did Stalin decide to invade Finland? Moscow's tale that Finland had become the secret tool of Britain and France will hardly hold water. The allies have not menaced Soviet Russia. Indeed, there have been suggestive hints thrown out by British statesmen (notably Mr. Winston Churchill), that Moscow should detach itself from Berlin and come into the Allied fold. But Stalin has every reason to distrust Hitler, who remains the most vicious enemy of the Soviet State despite the temporary pact of convenience with Moscow. By invading Finland, Stalin aims to establish Russia's predominance in the Baltic against the furture possibility of a German attack.

With the Red Army up against the Swedish frontier, it is not unlikely that Hitler may decide to engage in a little Scandinavian conquest in order to forestall any further westward move by Russia. Swedish iron ores

91-060

When Turkey Opened the Door of the Eastern Mediterranean

Map by Frank Manning in Newsweek

would be most valuable to Germany. And now that the Allies are seizing German exports, it might seem appropriate to invade Denmark, so as to cut off one of the principal sources of England's fresh food supply.

While the Japanese press was fuming against Washington's failure to protest the Allied decision to seize German exports, it was disclosed in Washington on Dec. 5 that such a protest is to be made, *United Press* reported.

Prize Picture of the Year

London Daily Herald

The American protest, it was stated, will proclaim the inadmissibility of this blockade measure under international law, but whether the note will be couched in stiff terms or mild language, and whether any American retaliation will be hinted at, has not been stated.

With the flames of war leaping across new frontiers, a Royal Proclamation published in London on Dec. 1 summons new army classes to the colors, making liable for service all male British subjects who by that date had reached or passed the age of 20, but are not yet 23. Registration date was set for Dec. 9. About 250,000 young men are involved.

Panay Christmas Fund Passes $600 Mark

As a result of contributions received during the week the Panay Christmas Fund nearly reached the $700 mark, the latest donors being:

Mrs. Lee	$ 5.00
G. S.	5.00
Mrs. Fanny Ling	25.00
George N. Economore	5.00
Mrs. Li-ying Ching	2.00
Leon Anderson (for Dec.)	5.00
Charles Ferguson	10.00
C. P. Kahmann	5.00
Linny	5.00
Christine Diemer	5.00
G. Stevenson	25.00
L. Anderson	30.00
W. H. Putnam	25.00
J. A. McKinney	10.00
R. L. Evans	10.00
George Sellett	20.00
Mr. and Mrs. Woo Kyatang	15.00
J. B. P.	15.00
Total this week	222.00
Previously Acknowledged	450.00
Grand total	672.00

One contributor, in sending his gift to the fund, called attention to the fact that American residents of Chungking recently had contributed the sum of $2,000 to the war orphanage conducted by Madame Chiang Kai-shek. Hope was expressed that the Panay Christmas Fund might approach the proportions of the Chungking fund.

The Panay Christmas Fund was started by the Panay Memorial Association, orginally composed of World War veterans, but recently broadened to include anyone interested in assisting orphan children. The Panay Christmas Fund will be donated in equal measure to Miss Henderson's Orphanage at Shanghai and the orphanage for children of war veterans, maintained by Madame Chiang Kai-shek in Chungking.

Contributions intended for the Panay Memorial Fund should be addressed to the "Panay Christmas Fund," care of *The China Weekly Review*, 160 Avenue Edward VII, Shanghai.

Ancient Forms of Slavery Now Re-Created by German Nazis

BY RAYMOND MOLEY

(*Newsweek*)

THAT war starts civilized people along the dark road back to barbarism has been said many times. The destruction of property, man power, the diversion of inventive genius, the stoppage of cultural advancement—of all these costs to civilization, we know. But the circumstances surrounding this war point to a new and terrifying process. In former days, when equipping armies was mainly a problem of supplying food, the young men marched to the front and the boys, old men and women tilled the fields. This war will be at bottom, a clash of great mechanized forces backed by modern industrial enterprise. In this war, the side that maintains its industrial system intact will probably win. Women, boys and old men cannot run an industrial plant. And so we are witnessing the enforced employment of vast numbers of unwilling non-Germans in agriculture and in industry.

The Germans have been utilizing the forced labor of the Jewish population to a greater and greater degree. They are now compelling the forced labor of many thousands of Poles, and it is quite probable that, before long, half of Poland and a greater part of old Czecho-Slovakia will be reduced to a condition hard to distinguish from the serfdom of the Middle Ages.

This stark possibility has been described in a brilliant article by John W. Love, economic commentator of *The Cleveland Press*. Mr. Love says:

"Today we see something really sinister in the world, and that is Greater Germany's reduction of whole peoples to a condition in which they have no choice of the work they shall do, or of where they shall work. This is a real slave socialism. Your German worker may not have much freedom left, but he is still German. The Jewish worker, the Polish worker and the Czech worker, and possibly more to follow them, are in considerably worse case, for there may be no hope for them in the future.

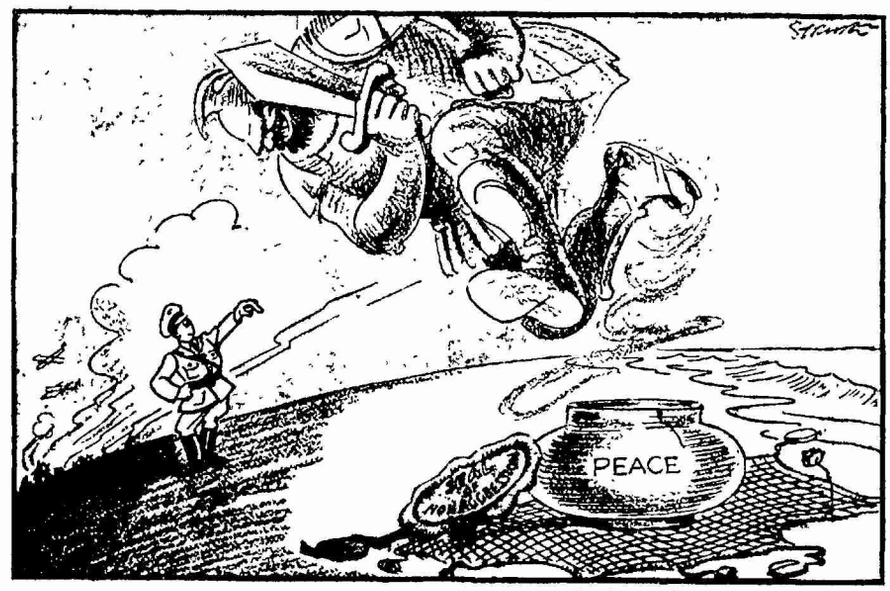
"A National Socialism, in the hands of the people who run Germany today, seems capable of exploiting these subject peoples for the sole benefit of the Germans. So long as the war lasts it is certain they will do so, and after the war, unless the Germans are overwhelmed, they can go on doing it. There would be nothing to keep them from setting the wages low enough and so arranging the production and prices that all the returns beyond a subsistance would go to the benefit of the people of old Germany and German nationality. The world has seen nothing like that since the Roman Empire."

Except for the fact that such an organization of society would be modified by modern industrial needs, the social form would be as old as history. We may see, in the course of long years of either war or preparations for war, the crystallization of a form of society in which there will be a military class composed of "pure Germans," dominated by a Nazi politico-economic machine and resting upon millions of non-Germans whose position would be substantially that of slaves. So long as outside pressure remains, the internal pressure of class upon class in the state will remain. Grumblings of unrest cannot develop into genuine revolutionary force because of the preponderant and overpowering might of the ruling power.

It is possible that the defeat of Germany would shatter such a condition of servitude of national minorities. But it is also possible that Germany's defeat would shatter only the ruling group and the particular variety of Socialism it professes. Russia, for instance, might become the new master. That scarcely seemed conceivable so long as the government of Russia went through the motions of trying to make the rewards equal between trades and regions within her borders. But the invasion of Poland and the coercion of Latvia, Estonia, Lithuania and Finland open up whole new vistas of slavery and mastership. And for the worker and the peasant, there can hardly be a choice between the dictatorship of a medieval imperial court, the dictatorship of a National Socialist oligarchy and the dictatorship of a proletarian or Communist autocracy.

It is one of the grimmest ironies of history that when Socialism and Communism came into the world they proclaimed as their purpose the freeing of workers from their chains, for the two great nations most deeply imbued with those doctrines are now re-creating forms of slavery that we thought had passed away centuries ago.

Easier Said Than Done



Strube in the Washington Post

Hitler: "The War's over—get back in the bottle."
War Genie: "Ah, but I'm dictator now."

"Nylon" Silk Substitute Hosiery on Sale in U. S. A.

"NYLON," the new man-made organic textile fiber prepared wholly from raw materials from the mineral kingdom, is now on sale in department stores in Wilmington, Delaware, according to a report in *Business Week* for Oct. 28. It is the first attempt to produce an artificial silk since the invention of Rayon several years ago. Unlike Rayon, the new product is said to possess qualities superior to silk.

Nylon is the product of the E. I. du Pont de Nemours and Company of Wilmington, Delaware. First stores to receive sample shipments of stockings (limited three to a customer) were in Wilmington. Prices were as follows: 45-gage full-fashioned hose, U.S.$1.15 a pair; 48-gage, $1.25; 51-gage, $1.35. Initial sales were restricted to known customers who were expected to report wearability of the new product.

It was practically a year ago that the Du Pont interests began construction of their new plant, located at Seaford, Del. The original appropriation, U. S. $7,000,000, was increased to $10,000,000. The production of the imitation silk received a considerable boost due to the widespread boycott of Japanese silk which heretofore had enjoyed a practical monopoly of the American hosiery market.

Japanese who have been seriously worried about Nylon, announced a few weeks ago that a Korean, Dr. Shoki Ri, assistant professor at Kyoto Imperial University, had succeeded in synthesizing a still newer fiber from coal, lime and acetylene gas. His product, however, was not like Nylon, but was said to be more like wool.

Aside from the invention of Nylon a serious effort also is being made to develop sericulture in the United States, heretofore regarded as impossible due to lack of cheap labor such as prevails in Oriental countries. The present attempt to produce silk in the United States is being made at a place where cheap labor prevails—the Atmore State Prison Farm in Alabama—where 20,000 white mulberry trees have been planted to provide the fodder for the silk worms. The Department of Agriculture of the State of Mississippi is making a similar experiment.

The Alabama project is promoted by Silkworm Industry, Inc., N. Y., which is trying to foster sericulture in various southern states. It is hoped (*Newsweek*, Oct. 23), by using modern methods, such as controlling silkworm egg hatch by refrigeration, that southern farmers will be able to raise eight silk crops a year—one for each warm month and thereby earn 500 per cent more than they do from cotton. Labor-saving machinery in the reeling and unreeling process is also expected to give American farmers a chance to cut into the reeled-silk market now monopolized by the Japanese. American producers are already processing about 15,000,000 pounds of cocoons a year which are used in dress materials, lingerie, necktie and like fabrics. The method used permits the carding of the cocoons like wool, and the spinning of the broken filaments, and obviates the tedious hand method of unreeling filaments such as is common in filiatures in Japan and China.

The inspiration behind these efforts is an attempt to capture for American farmers the U. S. $100,000,000 now paid to Japan for raw silk.

Would Exchange Silver for Blockade Removal at Tientsin

THE British Ambassador to Japan, Sir Robert L. Craigie, has offered to settle the long-standing silver issue at Tientsin by handing the bullion over to the Japanese Army in exchange for the removal of the Japanese Army's blockade of the British Concession at Tientsin. The silver bullion, held by foreign and Chinese banks in the British and French Concessions, is the property of the Chinese National Government at Chungking. The amount is said to be approximately $50,000,000.

According to an account of a conference between Sir Robert Craigie and Masayuku Tani, Vice-Minister of Foreign Affairs, published in the *Miyako Shimbun* and *Yomiuri Shimbun* (Tokyo, Nov. 25) the Foreign Office official told the British Ambassador that the Tientsin concessions were being blockaded because of "military necessity," hence the question of transferring the silver could not be considered in this connection.

The report in the *Miyako* stated, however, that the British and Japanese officials reached a practical agreement on the Tientsin issue as the withdrawal of British troops from North China indicated that Britain had reached "a correct" view of the Tientsin issue and that the British Government's action in withdrawing Consul-General E. G. Jamieson from Tientsin, constituted a further indication of British acquiescence in Japan's "new order" in North China. The editor of the Tokyo paper thought that the Tientsin question would be "entirely settled" before the end of the year.

Another interesting proposal on the silver transfer issue appeared in the *Yomiuri* to the effect that the Japanese Army had offered to use the money in "relieving the suffering of the North China masses caused by drought and floods." The British Ambassador objected to this on the ground that it would be necessary to obtain the approval of the Kuomintang Government in Chungking, which claimed ownership of the bullion.

The British Ambassador at the same time took up with the Japanese authorities the matter of the Japanese Navy's action in shooting down a British mail and passenger plane which was flying along the coast at the time the Japanese were effecting a landing at Pakhoi on the Gulf of Tongking. The Japanese official replied to this protest by pointing out that Britain's action in recognizing a "state of hostilities" in China in terms of the Arita-Craigie agreement, covered this point, hence the British protest about the forcing down of the plane "could not be accepted."

FOUR CHINESE FOR ONE COLONEL?

Several weeks ago when the Japanese finally released Lt.-Col. C. R. Spear, British Military Attache, who had been detained by the Japanese Army at Kalgan for many weeks, it was rumored that the British Ambassador in Tokyo, Sir Robert Craigie, had "traded" the four Chinese prisoners held by British municipal authorities at Tientsin to the Japanese in exchange. The Japanese had long demanded that the four Chinese arrested on a charge of assassinating a puppet official, be handed over to the Japanese military for examination and, presumably, execution. The British authorities refused on the ground that there was no definite proof that the Chinese were implicated in the murder. The case remained deadlocked for many weeks until the British Military Attache in Tokyo, Col. Piggott, was dispatched to China. Piggott, who was born in Japan and long regarded as "pro-Japanese," allegedly made the deal with the Japanese military authorities for the exchange of the four Chinese for Col. Spear.

Col. Spear had traveled from the area in Shensi controlled by the Eighth Route Army, through the Japanese lines into Inner Mongolia and had practically reached Peiping when he was intercepted and arrested on a charge of espionage by the Japanese military authorities. Despite the fact that Col. Spear, an attache of the British Embassy in China, enjoyed diplomatic immunity, the Japanese Army held him in close confinement for several months.

Japanese or Puppet Money Used for Sea and Land Travel in North

A foreign resident of Shanghai recently made a trip to Dairen-Mukden by sea and returned by rail via Tientsin, Peiping and Nanking. He purchased the steamship ticket to Dairen for Yen 75, which he obtained in Shanghai exchange shops at the rate of about 10 for U. S. $1. The trip from Dairen to Mukden was also paid in Japanese money—Yen 15. From Mukden to Tientsin the cost was Yen 43. At Shanhaikwan, on the border between Manchukuo and North China, a Japanese informed the passengers that all Japanese money had to be changed into "FRB" or notes of the official Japanese-controlled bank of the Peiping Provisional Government.

The fare from Tientsin to Peiping was paid in F. R. B. notes—$8.50, obtained at par with Yen. From Tientsin to Shanghai, the fare was paid in F. R. B.—$75, with a stop-over-night in Nanking which cost $13. With the addition to about Yen 25 for meals, usually paid in military notes, the total cost of the trip was about Yen 275, which figured out at about U. S. $27, or some $300 in Chinese national currency. Aside from the necessity of filling out Japanese questionaires at the rate of one for approximately each 250 miles, the trip was uneventful. From Tsinan to Hsuchow the passenger train was preceded by an armored train. There were from a half-dozen to a full company of Japanese troops at practically every station. Aside from coolies who cleaned the cars, all employees are Japanese, including waiters in the dining car. The train leaves Tientsin at 10 :30 a.m. and arrives at Shanghai at 12 :30 (noon) on the third day, including night stop-over in Nanking.

The Japanese military authorities recently brought 300 engineers and other technical railwaymen to Shanghai for use in operating the Shanghai-Nanking, Shanghai-Hangchow, Nanking-Wuhu and Kiukiang-Nanchang lines.

"In Honorable Japanese Style"

Tribune, London

Stalin helps Hitler make a "quick change."

Japanese Claim Ming Dynasty Film is "Anti-Japanese"

THE first two news items distributed by the official *Domei* news and translation service on Wednesday of this week provided an interesting and significant—and amusing—cross-section of the Japanese military mind. The news items were as follows:

No. 1—"Indignation was aroused in Japanese circles by the attitude of the Shanghai Municipal Council in permitting the presentation, at the Aloha Theater, No. 1452 Avenue Edward VII of an anti-Japanese film . . . . Though it was a historical picture depicting life during the Ming Dynasty, it was anti-Japanese . . . . the film was made by the Shanghai Theatrical Company, etc. . .

No. 2—"The South Manchuria Railway Company's office in Shanghai will show films depicting conditions in Manchukuo at the Ritz Theater on Haining Road, Hongkew, on Wednesday and Thursday.

It is presumed that the S. M. R. films—depicting the glories of the puppet state of Manchukuo as envisaged by the propagandists of the Government railway, would not be regarded as anti-Chinese, but since they are being exhibited in the Hongkew section which is controlled by the Japanese Army, the views of the Settlement Police and overwhelming majority of the local population would not enter into the question anyway!

WHEN EAST GOES WEST—THE PLAINT OF A NAVY WIFE

BY ONE OF THEM

We spent our mex while we had it,
And it brought us a lot of fun.
But now we're packing our trunk and all our junk
For our cruise is over and done.
There is a camphor-chest and a chow-bench,
And lamps from a temple fair,
And a Japanese screen in gold and green
But, I haven't a thing to wear!
I've a lacquer table from Kobe,
And a banquet cloth from Chefoo,
Some Hankow brass, and Peking glass
And a Chinese rug or two.
There's a pina set from Manila
And crystal sets that are rare,
And a satsuma dish and a pewter fish
But I haven't a thing to wear!
My stateside suit once so stylish,
Is mothy, mildewed and tight.
And the words that I use when I wear Chinese shoes
Mrs. Post wouldn't pass as polite.
My hat bears no slightest resemblance
To the picture in Vogue that I planned.
And that Pekinese vermine I purchased for ermine—
I hope it is dark when we land!

Reprinted from the American Foreign Service Journal for October, 1939 (*Navy Number*).

Kremlin Boss Offers to Help Baltic States to Shoot Reds

FABULOUS anecdotes, and not a few authentic ones, have been recorded with reference to our modern dictators, and Dictator Joseph Stalin has had more than his fair share. Otto D. Tolischus, correspondent of the *New York Times*, picked up what he thought were some genuine ones regarding the Kremlin boss while doing some recent assignments in Esthonia, Latvia and Lithuania.

He relates that on one occasion, when a Baltic foreign minister was hard-pressed for concessions by Soviet Foreign Commissar Molotov and his aides, Stalin walked into the conference room, put his arm around the visitor's shoulder, smiled benignly, and said: "Never mind, I'll protect you from these Great Russians."

Drawing by Low

At a similar conference with another Baltic official, Stalin varied his remark: "You know, these militarists want everything, but I am a politician and I can compromise." Result: The Russian demands were pared down.

When one Baltic minister brought up the question of what was now to become of Communists whom Baltic states had jailed, the Kremlin boss answered: "What you do with your own Communists is your own business. They are Trotskyists anyhow. If you must, shoot them, and if you can't handle them, I'll help. you."

Once Dictator Stalin remarked: "You know, Communism has not worked so well here (Soviet Russia) either."

Correspondent Tolischus found that the Russians, in the negotiations which led the Baltic states to surrender their independence, observed all the diplomatic niceties, with "banquets, mutual felicitations and exchanges of congratulatory telegrams." When Soviet troops marched into Esthonia, the guns of both nations gave mutual salutes, bands played both the Esthonian anthem and the *Internationale*. Attempts by Baltic Communists to "*tovarish*" the visiting Russians were, however, received coldly. At Vilna (now ceded to Lithuania) Communists started to purge the bourgeoisie before the Soviet soldiers arrived, but once in control the Russians either shot the local Communists or deported them to Moscow.

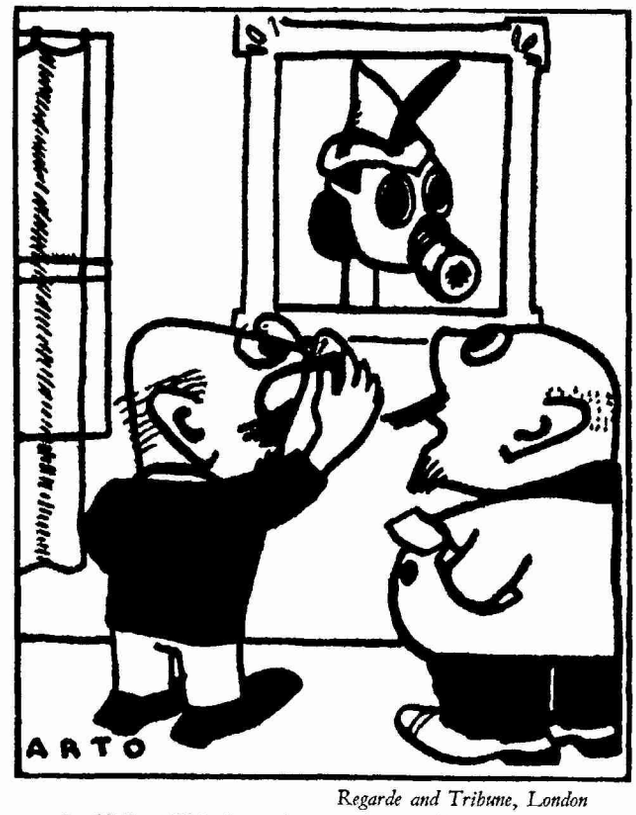
In annexing the Western Ukraine and White Russia to the U.S.S.R., the Moscow authorities made a great to-do about the democratic manner in which the populations had voted for candidates to the National Assemblies which voted for "union" after Red Army soldiers were already in control. But all that took place were plebiscites in the best tradition of Hitler and Stalin. Every candidate was officially chosen for the ballot, and as there was no way of registering opposition except by crossing out all the names, results were gratifying. In Western Ukraine, 92.83 per cent of the electorate took part, and 90.93 per cent voted for the official panel of 1,484 men, 239 women; in White Russia 96.71 per cent voted and 90.67 per cent were in favor of the hand-picked slate of 804 men, 123 women. Without any loss of time the "elected" National Assemblies met at Lvov and Bialystok and proclaimed Western Ukraine and White Russia to be something they had already been made by steel, powder and marching men—units of the U.S.S.R.

Magna Carta Sent to the New World for Safekeeping

MAGNA Carta—the original document signed by King John of England on the field of Runnymede in 1215—was recently shipped across the Atlantic to the United States and on November 29 was deposited with the Congressional Library in Washington, D.C. by Lord Lothian, the British Ambassador to America, for safekeeping. It is contained in an air-tight box.

This valuable historic document, upon which are founded the principles of British constitutional government, has never been known to leave England before. In the United States it will doubtless be safer from destruction than it would be in England. Considering the current black-out of democracy in Europe—a process from which England is far from immune—one cannot escape the thought that there may be something symbolical in the transfer of Magna Carta from the Old World to the New World.

"I Knew Her When . . ."



Regarde and Tribune, London

In 1970—"This is a picture of my wife when she was twenty."

Grew, Nomura Discuss Outstanding Nippon-American Issues in Tokyo

AMERICAN CONSUL GENERAL PROTESTS BEATING OF AMERICAN AND WIFE

While talks were under way in Tokyo with a view to improving relations between the United States and Japan, the American Consulate-General here, on Monday of this week, filed a protest with the Japanese Consulate-General over an attack by puppet "City Government" policemen on Major John B. Penniston, who was an officer in the U. S. Army during the last World War. The assault took place last Sunday afternoon while Major and Mrs. Penniston (who is a Japanese) were walking along Yu Yuen Road, near Brenan Road, in the "Badlands" district, with their infant son, who was in a perambulator in charge of a Chinese amah.

The family party was halted by a group of six Chinese puppet policemen, who told Mrs. Penniston she might pass if she was a Japanese. When she did not reply as to her nationality, she stated, she was slapped in the face. Major Penniston, in trying to save his wife from further manhandling, was beaten with a rifle butt, while Mrs. Penniston was struck several blows on the shoulder, also having her fur coat ripped with the muzzle of a rifle.

WITH the American-Japanese Treaty of Commerce and Navigation due to expire on January 26, less than two months hence, discussions on pending issues between Japan and the United States opened in Tokyo on Dec. 4 when Admiral Kichisaburo Nomura, Japanese Foreign Minister, and Mr. Joseph C. Grew, American Ambassador, held a conference lasting one hour and 40 minutes, during which, according to a *United Press* report, the whole field of Japanese-American relations was gone over in a "constructive atmosphere."

The talk, as was pointed out by the *Domei* agency, took place exactly one month after Mr. Grew had submitted to Admiral Nomura the views of the United States Government as to what was necessary for an improvement of Japanese-American relations.

Avoiding Needless Friction

According to the same source, Admiral Nomura expressed to Mr. Grew the opinion that it would be advisable first to tackle the question of avoiding unnecessary friction between America and Japan by settling pending questions which had arisen as a result of damage suffered by the United States during the China conflict. A fundamental readjustment of relations between the two countries was impossible until the United States understood the projected "New Order" in East Asia, Admiral Nomura reportedly said.

The Tokyo *Yomiuri* declared Dec. 4 that Japanese investigation showed that out of the 600 questions existing between Japan and the United States as a sequel to the China conflict, only 200 now remained outstanding, and these were being investigated by a joint committee of the War, Foreign and Navy offices with a view to settling them on the spot.

It was surmised by the *Nichi-Nichi* that the Dec. 4 talk between Admiral Nomura and Mr. Grew embraced the question of concluding a *modus vivendi* for the continuance of Japanese-American trade after Jan. 26, pending renewal or revision of the expiring Treaty of Commerce and Navigation between the two countries.

S.M.C. Forced to Sell Properties to Japanese

Practically forced to abandon what once were valuable properties in the northern district, but which became unuseable due to the military operations and subsequent Japanese occupation of all territory north of Soochow Creek, the Shanghai Municipal Council has sold the Public and Thomas Hanbury School and Hostel on North Szechuen Road, and the former site of the Public School for Chinese on Haskell Road, to the Japanese, $800,000 being obtained for the former and $170,000 for the latter.

It is also reported that the S.M.C. has sanctioned temporary occupation by the Japanese authorities of several other municipal properties north of the Creek, with the understanding that they would be formally leased by the occupants, thus making the latter liable for payment of rent and municipal assessments and for maintenance of the premises in good repair. The properties in question are former school and hospital buildings.

Recently it was reported that the S.M.C. were considering leasing to the Japanese the modern abattoir at Dixwell and Sawgin Roads in Hongkew, a costly structure which was built only a few years ago. The abattoir is functioning.

Two Empress Vessels Reported Requisitioned

Two Canadian-Pacific liners, the Empress of Japan, 26,032 tons, and the Empress of Canada, 21,517 tons, are reported to have been requisitioned by the British Government, according to a recent *Domei* message from Kobe. The two vessels would no longer call at Far Eastern ports, it was stated, leaving the Pacific run to be operated by only two ships, the Empress of Russia and the Empress of Asia.

Nippon-Soviet Border Conference Gathers

Mr. Kanichiro Kubota, Japanese delegate to the Manchukuo-Outer Mongolia Border Demarcation Conference at Chita, and Mr. Ichiji Kameyama, Manchukuo delegate, arrived at Manchuli on Dec. 4 en route to Chita. Their staffs, totaling 29 persons, were accompanying them.

Mr. Kubota is Japanese Consul-General at Harbin, and Mr. Kameyama is director of the Bureau of Political Affairs of the Department of Foreign Affairs of the Manchukuo Government. The conference at Chita is meeting under the terms of the Soviet-Japanese truce concluded at Nomonhan on Sept. 15.

According to a *Domei* report from Moscow on Dec. 4, Soviet-Japanese trade was discussed the previous night in the Kremlin between Mr. Shigenori Togo, Japanese Ambassador, and A. Lozovsky, Vice-Commissar of Foreign Affairs. The talk followed a conversation which Mr. Togo had with Foreign Commissar V. M. Molotoff, the Japanese agency said.

Nazi Bund Leader Sentenced to Prison

Convicted on charges of embezzling U.S.$1,217 from the German-American Bund of which he is Fuehrer, Fritz Kuhn was sentenced to prison for from two and one half to five years by a New York Court on Dec. 5. Kuhn was found guilty of grand larceny on five counts on Nov. 29, but sentence was not handed down until Dec. 5.

Earl Browder, Fuehrer of the American Communist Party, has obtained a postponement of his trial on charges of using false names to obtain passports from the State Department. He will appear in Court on Dec. 18. Stalin's prominent American agent addressed a riotous meeting of 600 students at New Haven, Connecticut, on Nov. 29, *United Press* reported. Three thousand persons gathered outside the hall and added to the turmoil within by jeering Browder and crying "Viva Hitler!" "Go back to Moscow!"

While Browder was getting a warm reception in New Haven, Alfred Duff-Cooper, former First Lord of the Admiralty in the British Government, was being booed by an audience in Boston, *Transocean* reported. When Duff-Cooper commenced his speech, hecklers shouted "What about the British war debt?" while members of peace organizations outside the hall protested that Duff-Cooper was conducting British propaganda designed to draw the United States into the European war.

Nippon, Puppet Troops Said Moving Against Fukien Border from Swatow

While according to Tokyo reports Japanese troops, following their capture of Nanning on Nov. 24, are continuing to push forward into Kwangsi province, a new theater of military operations appeared to be developing in China this week. Chinese sources reported that Japanese troops at Swatow and Chaochow, in northeastern Kwangtung, were moving northward toward the Fukien border, with Yiyang and Yaoping as their immediate objectives. The advancing Japanese troops, the reports said, were being aided by some 400 Chinese troops of the Wang Ching-wei organization.

No reports of this northward march toward the Fukien border had come from any Japanese source by the middle of this week, nor was there indication of any Japanese naval threat to Foochow, Fukien seaport, which is still in Chinese hands. Amoy, the other Fukien port, was occupied by the Japanese on May 12, 1938.

The Kwangsi Compaign

Regarding the campaign in Kwangsi, the customary contradictory reports are coming from Chinese and Japanese sources. A Central News Agency report from Kweilin, quoted in a *United Press* dispatch from Chungking on Dec. 1, said that Japan's northeasterly advance from Nanning had come to a virtual standstill, with Chinese forces holding up the Japanese troops along the Nanning-Pingyang highway.

A *Domei* report from Tokyo on Dec. 4, however, claimed that the Japanese troops were succeeding in maintaining an effective line of communication between Nanning and the coast and were driving further inland. According to a Japanese Army communique issued in Canton the previous day, Japanese troops routed 4,000 Chinese troops near Takaofengkai, 20 kilometers north of Nanning, thus forestalling an attempted Chinese counter-offensive upon the latter city.

Chungking dispatches described "heavy fighting" on the Kwangsi front. Observers in Chungking, quoted in a *Reuter* dispatch on Nov. 30, predicted that one of the severest and most crucial battles of the Sino-Japanese war would take place shortly in the hills of Kwangsi. Both Japanese and Chinese were reported rushing reinforcements to the front and maneuvering for positions in preparation for a major battle.

Kweilin is Bombed

Kweilin, the capital of Kwangsi province (Nanning was formerly the capital) has been subjected to repeated Japanese aerial bombardments. Accoring to a *Domei* message from Hongkong, Japanese naval planes bombed the city last Sunday morning for the third successive day, dropping more than 40 bombs. They also attacked Pinyang, Liuchow, Kweihsien and several other Kwangsi towns. Kweilin lies to the northeast of Nanning and is near to the southern border of Hunan province.

Tamshui, near Bias Bay in Kwangtung Province, was bombed by seven Japanese planes on Nov. 29, *Domei* reported. The town, it was stated, was being used by the Chinese as a base for sending supplies, arms and ammunition to the East River area. Japanese forces landed in the victinity in the autumn of last year when beginning the drive that ended in the capture of Canton.

A *Domei* report from Canton said that about 1,000 troops of the Chinese 152nd Division launched an attack on a Japanese position north of Chihlingshu, 30 kilometers northeast of Canton, on Dec. 1, but were routed after a battle which lasted several hours. The Japanese report said that the Chinese used gas shells, which caused casualties in their own ranks, however.

A lengthy lull in the fighting in northern Kiangsi was broken on Nov. 30, according to a *Kuo Min* dispatch from Kaoan, when Japanese troops from Fengsin and Tsingan launched a concerted attack on Chinese positions at Tungnaoshan, Laoshan and Yuchutzeyai. While resisting the Japanese frontal attack, the Chinese executed a flanking movement, it was claimed, and succeeded in routing the Japanese after four hours' fighting. Having suffered 300 casualties, the Japanese were forced to retreat back to Fengsin and Tsingan, abandoning considerable supplies and munitions, the report said.

Chinese Spy Nabbed

Chinese espionage activities in Hopei and Shansi provinces suffered a serious setback with the Japanese capture of Col. Wang Hai-chou, reputedly one of the ablest agents of the 8th Route (former Red) Army, according to a *Domei* report from Shihchiachwang on Dec. 2, which said that Col. Wang had been made prisoner as early as Nov. 6. In addition to obtaining information regarding Japanese troop movements, as well as economic and political conditions in Japanese-occupied territory in North China, Col. Wang was alleged to have supplied the Chinese ex-Communists with sugar, salt, tobacco and other commodities to a value of Yen 7,000. What the Japanese did with Col. Wang, the *Domei* report did not state.

Generalissimo Inspects Newly-Trained Troops

Photo by Thomas Kwang

Gen. Chiang Kai-shek recently conducted an inspection of newly-trained troops at Chengtu, provincial capital of Szechwan. He is seen above, together with Madame Chiang, taking the salute at the march past.

Britain Places Huge Scrap Iron Orders in America

Britain has placed orders in the United States for U.S.$15,000,000 worth of scrap-iron, it was announced in Washington on Nov. 23. Delivery is to take place within the next three months, the total amounting to 750,000 tons, *United Press* reported. It is the largest scrap-iron purchase ever made in the United States.

Italy is also in the American scrap-iron market and has placed orders for 150,000 tons, which amount is said to equal Italy's normal annual purchases of the metal in the United States. American steel plants reported last week that they are now operating at nearly 94 per cent of their maximum capacity.

The French Government, according to a *Transocean* report from Brussels, has issued a decree prohibiting the use or sale of scrap-iron without permission of the War Ministry. Scrap-iron dealers are required to report their stocks to the government immediately.

Nippon Conquest of Shansi Still a Distant Dream

BY C. Y. W. MENG (孟長泳)

SHANSI Province, with an area of 155,935 sq. kilometers and a population of 11,701,026 people, is generally known as the "model province" in China and the governor (General Yen Hsi-shan) as the "model governor" who has been governing the province ever since the birth of the Republic.

Economically, the province is rich in mineral and agricultural resources. Strategically, it is regarded as a barrier in the defence of China's Northwest, and a base of the Chinese resistance campaign.

Shansi was the second province (the first was Hopei) to he invaded. Tatung, and Taiyuan, the provincial capital, fell in rapid succession in the early stage of the war. Although the invaders made a rapid advance into Shansi at the beginning, their progress was successfully checked. While it is not our intention to make a survey of the two-year war situation in Shansi, the following facts, verified by competent observers, deserve attention.

The Military Situation

(1) The Japanese have occupied a strip of territory in Shansi which extends a few miles along both sides of the railways, leaving a large portion of the province still under Chinese administration. The Japanese advances westward (apparently with Sian, provincial capital of Shensi, as their objective) and southward (probably with Chengchow, lying at the intersection of the Peiping-Hankow and Lungchow-Haichow Railways in Honan Province, as the objective) have been successfully checked by the Chinese forces. Lately, the most bitter fighting has been going on in many passes of the famous Tai Hang Shan (mountains) with all topographical advantages on the Chinese side. Both General Yen Hsi-shan and the 8th Route Army swore at the beginning of the war "never to leave Shansi soil!"

(2) The ratio of the casualties in the Shansi fighting has turned in favor of the Chinese. Local observers say the ratio is one to five in favor of the Chinese. This is also frankly admitted by General Sugiyama, who is now the commander of the Japanese forces in North China. In a speech describing the results of an investigation tour, delivered on October 4 in Taiyuan, he told his listeners that "the Japanese casualties have been unexpectedly high." He was quoted as saying: "To speak of the casualties in Shansi alone, Japan has lost not less than 100,000 men." (See *Ta Kung Pao* or *L'Impartial* of October 24 quoting what was reported by a foreign correspondent who had just returned to Chungking from Shansi).

Even Admired by Enemy

(3) The Chinese forces now fighting in Shansi are far better organized and they are fighting more heroically than before. The Chinese defenders even win the admiration of their enemy. In honor of the Chinese defenders, we are told, the Japanese have built a monument to commemorate "China's Seven Heroes" (支那七勇士之墓), whose story is briefly as follows: For strategic reasons, the main Chinese forces had to withdraw from a pass, so as to induce the entry of the invaders. But seven soldiers were ordered to hold up the Japanese advance for twelve hours to enable the troops to withdraw. These seven men did hold up the invaders and mowed down no less than four hundred of them by machine-guns. None of the seven returned alive. In admiration of such heroism, the Japanese built a grave for these "seven heroes." (for details, see *Ta Kung Pao* of October 24. "Defence of the Tai Hang Pass by the Seven Heroes").

So far as the military situation in Shansi is concerned, the tide has turned in favor of in the Chinese. The Chinese defenders no longer lose any territory in Shansi but begin to recover.

Ever since the fall of Taiyuan almost two years ago, the Shansi authorities have been taking many steps to prepare for prolonged resistance, to be ready for counter-attack and general offensives, and to strengthen the local defence against further Japanese advances.

One important regulation we have to mention is the "Measures for the Enforcement of the Rationalization of the Allocation of War Taxation in Villages and Hsien (counties) During the Period of the War of Resistance" (抗戰期內縣村合理負担執行辦法) These measures have constituted the financial policy of the Shansi Provincial Government since the fall of Taiyuan. The general principle applied is to tax the rich, the property-owners and landlords more than any other people—to make them pay more to swell China's war chest. The following is a brief summary of this Regulation:

1. The allocation of war taxes to each village and hsien shall be in accordance with the general principle of allocating more to those who make more profits; who own more property and who earn more money.
2. The allocation of the taxes to each village and hsien shall be proportional, by percentage, to the ability of the merchants and people to pay.
3. The allocation of taxes to shops shall be proportional to their profits and shall be assessed and decided by the chamber of commerce in the hsien in accordance with their respective capital investment and the present condition of their business.

Shadow Over Mongokuo-Manchukuo

De Groene Amsterdammer

4. The allocation of taxes among the people shall be proportional to their property-holding, land, harvests and other benefits to be ascertained by the hsien governments. (More provisions classify the people into eleven classes, with different rates of alloments).

5. To the "specially rich families" the rates of allocation are to be increased proportionally.

6. All those families which cannot support themselves shall be exempted from any allocation. (More provisions classify people of this kind into twenty classes, with different rates of exemption, etc.).

The writer is informed that this regulation is printed in booklets and widely distributed to all people with the information that apart from what is provided in the Regulation, no other collection is permitted.

Let no one under-estimate the importance of this Regulation. Indiscriminate, unjustifiable and unorganized allocation of war taxation had been a source of great complaint among the people. If this grievance had not been removed, it would undoubtedly constitute a great handicap to the present war of resistance. But the Regulation has apparently done away with all former bad practices, and thus has removed a source of friction between the government and the people, the local forces and the local people. Such measures, together with the total abolition or reduction of the miscellanous taxes, have done immense good in the improvement of the livelihood of the people, in strengthening their morale, and in achieving co-operation between the armies and the people.

Economic Reconstruction

Another important item is the "Regulations for the Enforcement of Economic Reconstruction During the Period of the War of Resistance" (抗戰期間經濟救地方案), promulgated by the Shansi Provincial Government after the fall of Linfeng. The following is a brief summary of the Regulation:

1. Rigid prohibition of the circulation of the enemy's banknotes and their currencies.

2. Rigid prohibition of the manipulation of prices of commodities.

3. Protection for the transportation of cargoes of merchants.

4. Protection of the market places and the circulation of the daily necessities.

5. Rigid prohibition of the sale and purchase of enemy goods.

6. Promotion of the development of the handicraft industries.

7. Assistance to the people for the formation of handicraft industrial organizations, by the Mobilization Committee of the hsien.

8. Encouragement of the production of handicraft products by placing advance orders.

9. Redistribution of uncultivated land or land abandoned by the landlords owing to their death, special preference being given to families whose members are now fighting at the front, subject to the return of the land to the legitimate owners after the termination of the war.

10. Temporary transfer of uncultivated or unleased land, without compensation, to the headquarters of the local chieftains of the villages or hsien for distribution to others for cultivation and plantation.

11. Rigid suppression of opium planting.

12. Establishment of more refugee camps in each village and hsien.

Many industrial establishments and factories have been established since the promulgation of this Regulation.

Perhaps one of the greatest and most significant turning points of the Chinese war of resistance against the Japanese invasion was the realization by the Chinese leaders that the present war of resistance has necessarily to be accompanied by national economic reconstruction. This policy is in full application in Shansi today. It means not only internal economic reconstruction aiming at the self-sufficiency of supplies for prolonged resistance, but also "economic war" with the invaders.

Recently, Shansi launched a new movement, known as the "Anti-Japanese and Economic Reconstruction Movement," with the participation of local industrialists and merchants. The Japanese are notorious for their ability to imitate the trade marks of others. Since the occupation of Taiyuan, Shansi has been flooded with Japanese goods marked "Made In China," "Made In Shanghai," "Made In U.S.A." etc. At first, it had its deceiving effect. But with the launching of the "economic war" by the Chinese, the Japanese have failed entirely.

In Shansi, there is a "Foreign Trade Bureau which is jointly organized by the government and merchants. This Bureau alone has the right to supply the markets with products. It takes all steps to control imports and exports; to suppress smuggling and dumping of enemy products in the Chinese markets; and to prevent Chinese foodstuffs from going to the enemy. Capital punishment is always given to violators.

The invaders have been attempting to put Chinese currency in a chaotic condition by shipping to Japan the Chinese banknotes and substituting for them the banknotes of the puppet regimes. But in Shansi, local banks have been organized for the sole purpose of preventing the drainage of Chinese banknotes and to prevent the entry of the false ones.

Although nominally Shansi has been in the hands of the invaders for almost two years, in fact we find that the Chinese are still in control of most of the province; and that the invaders are meeting military as well as economic defeat at the hands of the Chinese counter-attackers.

Chungking,
October 25, 1939

And on the Other Hand—

The Tribune, London

This cartoon was published on the twenty-eighth anniversary of the founding of the Chinese Republic and was one of the few references which have appeared in the press regarding British sales of munitions to Japan. Practically all references heretofore have been to America's sales of war materials to Japan.

Durham Light Infantrymen Withdrawn from Tientsin

In accordance with the recent decision of the British Government to withdraw garrison troops from North China, first units of the Durham Light Infantry left Tientsin on the morning of Dec. 3, bound for Chinwangtao, where they were to embark for an undisclosed destination, *Domei* reported. Second and third units were due to entrain for Chinwangtao on Dec. 5, it was stated, and would sail from that port with the first group. Replacements from the East Surrey Regiment at Shanghai were expected to reach Tientsin on the night of Dec. 5.

Japanese Bomb More Missions, but Labor of Christian Church Continues

39 CATHOLIC MISSIONARIES KILLED IN CHINA WAR

The Holy Congregation for the Propagation of the Faith announced from Vatican City on Dec. 4 that 39 Catholic missionaries had been either murdered or killed in China since the outbreak of the Sino-Japanese war. The war victims comprised one bishop, 27 priests, four friars and seven nuns, the announcement said.

THE compound of the China Inland Mission at Lanchow, capital of Kansu province, was struck by an aerial bomb on the morning of Nov. 28 when 70 Japanese bombers roared over the city, vital junction point on the "Red Route" to Soviet Russia, and loosed their destructive cargoes of high explosive bombs. Bombing of the Mission was reported by *United Press* the following day, but the extent of the damage was not indicated. The report said that ten persons were killed in the raid and more than 100 wounded.

Lanchow has been receiving extraordinary attention from the Japanese air force lately. On Dec. 1 the city was bombed for the third time within a single week, 48 planes taking part in the raid. Chinese pursuit planes and anti-aircraft guns attacked the raiders and brought down one Japanese machine, according to the Central News Agency. The Japanese claimed to have brought down nine Chinese planes.

The *Domei* account of a raid on Lanchow on Nov. 30 said that the Japanese directed their bombs at the airfield and adjacent military establishments.

The Kansu Provincial Government, *United Press* reported, was expected to advise foreign residents of Lanchow to depart from the city in view of the frequency of the Japanese raids and also to issue a new civilian evacuation order.

A belated account of a Japanese air raid on Suishan, Szechwan, on Nov. 10, in which the property of the Christian Missionary Alliance, an American institution, was a target, was given in a *United Press* report from Peiping on Nov. 28, which said that a foreign residence in the mission compound was destroyed. Numerous large American flags marked the property, it was stated. American members of the mission staff were not on the premises at the time of the bombing, and thus escaped possible injury or death.

An unidentified missionary correspondent, writing from Wuchow, Kwangsi, on Nov. 8, and whose report appeared in the *North-China Daily News* of Nov. 26, said that his church and residence in Lungchow had been badly damaged in a Japanese air raid. Buildings all around the church were demolished by bombs, he said, and the church was so violently shaken that thousands of holes were made in the tile roof, doors were wrenched off their hinges, and gaping holes torn in the walls of the residence. When the first air-raid alarm was sounded, the missionaries made a run for shelter and thus escaped injury.

Man, the Poor Worm!

Glasgow Bulletin

Americans Bringing Aid

American missionary work in China received emphasis in reports from Chungking late last week which said that a party of seven American missionaries of the Scandinavian Alliance Mission were leaving shortly for stations in and near Sian, Shensi capital, with two truckloads of medical supplies furnished by the Chinese Red Cross Society in Hongkong for medical relief work among Chinese wounded soldiers. The party consists of Miss Edith Johnson, from Illinois; Mr. and Mrs. G. R. Gustafson and Mr. and Mrs. Arthur Nelson from Minnesota; Miss Ruth Nelson from Washington, and Mr. O. Beckon from Iowa.

On Dec. 1, it was also reported that three American health experts had departed from Chungking for Kunming to open a campaign against malaria in Yunnan province, which is one of the world's worst malaria zones. The party consists of Dr. L. L. Williams of Washington, D.C., who is a surgeon of the U.S. Public Health Service; Dr. H. J. Bush of Savannah, Georgia, and Dr. Bruce Mayne of Colombia, South Carolina, who is also a surgeon of the U.S. Public Health Service. Dr. Robert E. Browne, American missionary doctor who formerly worked in Wuhu, is to cooperate with the trio in the anti-malaria drive.

According to a *Reuter* report from Chungking on Nov. 30, Dr. Bethune, a Canadian physician, died on Nov. 13 while serving with the 8th Route (former Red) Army in Shensi. Together with Dr. Charles Parsons, associate surgeon of the Benediction Hospital at Kingston, New York, Dr. Bethune formed the first medical unit to China to be financed by a group of people in New York. Dr. Parsons is believed to be working with the New Fourth Army, also a Communist-controlled force, somewhere in the Shanghai-Nanking area.

Kidnapped Japanese Reported in Kweilin

Missing since Dec. 29 last year when he was kidnapped by Chinese soldiers, Kensaku Shiomi, chancellor of the Japanese Consulate-General at Hanoi, French Indo-China, was being held at Kweilin, capital of Kwangsi, according to a Hongkong dispatch to the Tokyo *Nichi-Nichi* on Nov. 26

Various rumors regarding his fate had been heard and much anxiety had been felt over his safety. At one time it was reported that he had been shot.

Mr. Shiomi was kidnapped near the Indo-China border while making an "inspection" tour of the Chinnankwan area. It was believed some time ago that he had been taken to Chungking for trial by court-martial.

American Missionary Still Detained at Kobe, Japan

Mrs. John Pullman, mother of Mrs. Luther Tucker, whose husband, the Rev. Luther Tucker, is being detained by the Japanese gendarmes at Kobe, Japan, arrived at Tokyo on Nov. 22. Immediately following her arrival, she called upon officials of the American Consulate-General and Embassy at Yokohama and Tokyo, following which she departed for Kyoto. She expected to meet a representative of the American Consulate at Osaka for a further discussion of the case.

John M. Allison, Consul at Osaka, who was in Shanghai on leave, returned to his post lately after a stay of several days here. He was expected to take up the matter of Rev. Tucker's continued detention with the Japanese authorities at Kyoto and Kobe. Mrs. Pullman later planned to proceed to Shanghai to visit her daughter, who was with Rev. Tucker at the time of his arrest, but was permitted to depart for Shanghai with their children.

While there has been no announcement of the reason for Rev. Tucker's arrest and continued detention, it was reported in Shanghai that he had taken to Japan several copies of a Japanese translation of a book written by H.J. Timperley, dealing with Japanese atrocities at Nanking. Mr. Tucker has been detained without trial since Oct. 12.

Junk Adventurers To Brave Sea Perils

Yet another junk adventure was to get under way on Tuesday of this week, according to a *United Press* dispatch from Los Angeles, which said that Dr. E. Allen Peterson, 37-year-old Los Angeles physician, was to sail his tiny junk, the *Hummel-Hummel*, on a 19,000-mile cruise around South America via the Straits of Magellan to New York.

Dr. Peterson captained the same craft on a 118-day voyage across the Pacific from China last year. He will be accompanied on his latest adventure by his American-born Japanese wife, Tane, who was also a crew member on the Pacific crossing, and Wendell K. Parks, a seaman from Seattle.

Thoughts of Richard Halliburton's ill-fated junk expedition across the Pacific were conjured up by a *United Press* dispatch from Honolulu on Nov. 13, stating that John H. Magruder the third, who then was aboard the s.s. President Taft en route to the Orient, planned to join the crew of a Chinese junk at Shanghai and embark on an 18-month voyage around the world to New York.

Mr. Magruder, who is a son of Captain John H. Magruder the second, Navy captain attached to the U.S.S. Augusta, flagship of the U.S. Asiatic Fleet, stated that the voyage would be made by way of Java and the Cape of Good Hope. Mr. David Fairchild of the U.S. Department of Agriculture, was enlisting the crew, he said.

Halliburton's Ill-Fated Chinese Junk

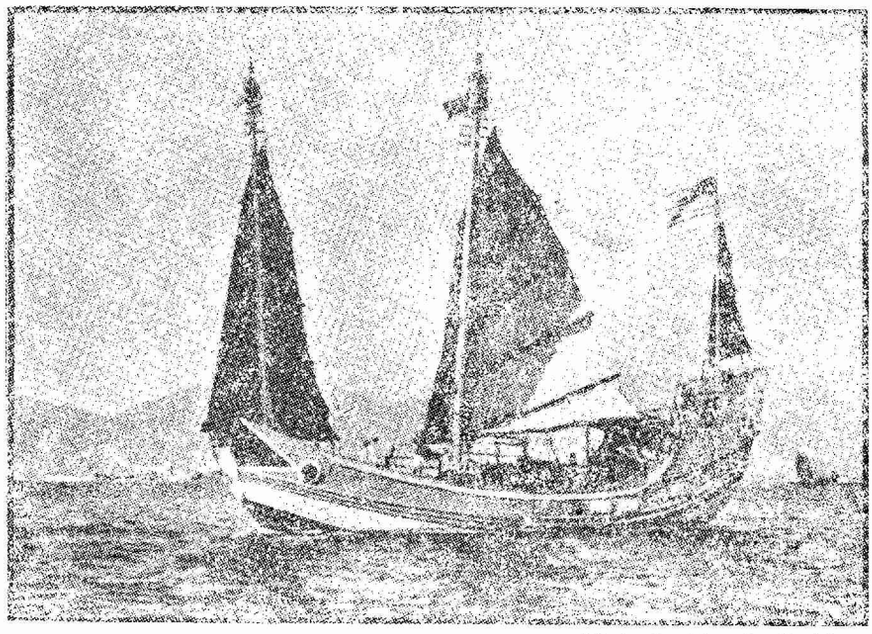


Photo by Harold Smith

This picture of the Sea Dragon, in which Richard Halliburton, adventurer, lecturer and author, attempted to cross the Pacific earlier this year, was taken in Hongkong harbor while the junk was making a trial trip. A jury in Memphis, Tennessee, decided on Oct. 4 that the Sea Dragon had gone down in a typhoon on March 23 or 24, carrying Halliburton to a watery grave.

Pirates Attack Ship In Yangtsze Delta

How safe—or unsafe—the Yangtsze Delta has become under the watchful eye of the Japanese Navy was illustrated last week-end in the story of a heroic fight against Chinese pirates by five Russian guards and ship's officers of the Butterfield and Swire steamer s.s. Wulin, which berthed at the French Bund in Shanghai on the evening of Dec. 1. The vessel brought in one dead pirate, a wounded Russian sergeant of the ship's guard, and a detachment of British bluejackets with steel helmets, rifles and fixed bayonets.

Scene of the attack was San Ho Kwang in the Yangtsze Delta where at 3.20 a.m. on Dec. 1 the Wulin, under Capt. W. L. Thomas, a native of Wales, was anchored after loading a cargo of raw cotton for Shanghai. In the darkness of the early morning the ship was surrounded by sampans, junks and lighters on which the usual large crowds of Chinese congregated.

Under cover of darkness and aided by the light craft surrounding the ship, the pirates chose a moment to strike and from the shore many sampans sped towards the anchored vehicle, carrying a well-armed horde of some 40 desperadoes. Taken unawares at the first onslaught, the Russian guards of the ship found several of the pirates already on board, with machine-guns blazing away at them from the sampans.

Guards Return Fire

Showing great bravery, they returned the fire, running from one side of the ship to the other as the pirates swarmed aboard with rifles and pistols in their hands. The ship's officers under the captain joined in the battle but, greatly outnumbered, they were forced to retire to the bridge deck with the guards. Here they defied onslaught after onslaught from the pirates, who had gained control of the rest of the ship, and at daybreak they were able to beat off the attack and steam away to safety.

So furious had been their reply to the fire from the pirates that two of the attackers were found lying on the deck where they had been shot down when attempting to rush the bridge. Unable to take them away, the rest of the band had flown leaving them at anybody's tender mercy. One of them was dead, having been shot through the head. His companion, though still alive, was badly wounded in three places and his condition was plainly serious. After the ship had steamed away to report to the British gunboat Gnat, on duty in the delta, the wounded man was placed on board the naval vessel for treatment. An armed escort was taken aboard from the Gnat and the Wulin continued her voyage to Shanghai.

The Russian sergeant, K. Shastoff, suffered only a flesh wound in his right arm and his condition is not serious. The rest of the guards, whose heroic fight against tremendous odds earned praise from all quarters when the Wulin berthed in Shanghai, suffered no further casualties nor were any of the ship's officers hit by bullets.

Tokyo-Bangkok Airline Agreement is Signed

An aviation treaty between Thailand and Japan, under whose terms the Japan Airways Company will inaugurate a Bangkok-Tokyo air service, was signed at Bangkok on Dec. 1. Based on reciprocity, the agreement authorizes Thai and French airplanes to fly to Japan along specified commercial air lanes. It is the first time that the Japanese Government has agreed to regular commercial flights to Japan. Taihoku in Formosa will be a regular port of call in the new service. With Bangkok as terminus, Tokyo will now be connected by air with London, Paris, Amsterdam, Australia and America.

In one report, *Domei* said that twin-motored, 24-seater planes built by the Mitsubishi Company of Japan would be used on the new route. The Tokyo *Nichi-Nichi*, however, declared on Nov. 30 that five-passenger planes would be purchased by Japan from Italy for the new service, which is scheduled to begin in February, 1940.

Mexican Court Rules Against Oil Concerns

Ruling against a claim brought by British and American oil companies for compensation in respect of expropriated oil properties, the Mexican supreme court on Dec. 2 upheld the view of the Mexican Government that what is under the soil is inalienably owned by the nation. The court therefore found that the claimant companies had been adequately compensated by payments made, or to be made, for surface installations taken over by the Mexican Government when the oil concessions were cancelled.

Japanese Propaganda Exploits Reported Rift Between Chungking, Yunnan and Communists

IF any one condition could be named for the successful prosecution of China's war of resistance against Japan, it would be national unity. It is the United Front which has enabled China to prolong the resistance so far. And united struggle will continue to be the basis of China's future resistance and eventual victory.

With her army poorly equipped and inadequately trained, China has derived her strength chiefly from the solidarity of will manifested in the unanimous support of the resistance policy by all parties in the country. National solidarity, therefore, is most vital to China in her present crisis and should be preserved at all costs.

Lung Yun in Rebellion

Persistent Japanese propaganda on the growing rift in Kuomintang-Communist relations has aroused much public misapprehension. Undoubtedly there is much exaggeration in the Japanese reports, but it cannot be denied that friction has existed for quite some time between the two parties, the main cause of which seems to be still the time-honored evil of struggle for domination. Meanwhile, relations between the National Government and Yunnan also leave much to be desired.

Although many of the Japanese rumors, such as that Gen. Lung Yun is prepared to "offer armed resistance to Chungking's incursion" and to flee to French Indo-China in case of failure, can be dismissed as nonsense, it seems that some misunderstanding has been caused and remains to be removed. In face of the present Japanese offensive in South China, these rumors on China's internal dissension appear to be most upsetting. It is, therefore, imperative for the Chungking government to readjust the political situation and to strengthen its relations with all parties which have pledged it support.

Reorganization Rumors

Rumored reorganization of the Chinese government continues to be a fertile source for Japanese speculation. It was alleged that a delay in the reorganization had been caused by the scramble for posts between the Kuomintang and the Communists. While Gens. Chiang Kai-shek, Feng Yu-hsiang and Chen Cheng were said to advocate closer cooperation with the Communists and the inclusion of some Red leaders in the Cabinet, united opposition was stated to be growing among Kuomintang older statesmen against the allotment of any cabinet posts to the Communists. Pending a definite decision, the following persons were mentioned as possible members of a new Kuomintang government:

Minister of Interior, Chen Kuo-fu (leader of the so-called C. C. Group); Foreign Minister, Dr. C. T. Wang, Dr. W. W. Yen, or Dr. Wang Chung-hui; War Minister, Gen. Ho Ying-ching; Finance Minister, T. V. Soong (if he succeeds in securing a new loan from America); Minister of Economics, Dr. Oong Weh-hao; Education Minister, Chen Li-fu; Communications Minister, Chiang Kia-ngau; Commerce Minister, T. V. Soong or K. P. Chen.

Yu Fei-peng, director of the Supply Department of the National Military Council, was alleged to have been relieved of his post on a charge of negligence in connection with the congestion of some $10,000,000 worth of arms and ammunition at Chennankwan on the Kwangsi-French Indo-China border. Transportation of the supplies is said to have been made impossible now because of the Japanese occupation of Nanning.

Reds Present Demands

Japanese reports from Hongkong and Tokyo asserted that Chinese Communist leaders had presented firm demands to Gen. Chiang Kai-shek, the most important of which was the establishment of a "United National Defence Government" with activities centered on carrying on hostilities against Japan. They were reported to have submitted a list of members of the proposed government, including Gen. Huang Chi-hsiang as leader of a third party, Kuo Mo-jo as representative of advocates of coalition with the Communists, Peng Teh-huai, Chou En-lai, Chen Shao-yu and Chin Pang-hsien as representatives of the Communist Party. It was also alleged that the Communists demanded the exclusion of Dr. H. H. Kung, Gen. Ho Ying-ching and Dr. Wang Chung-hui from the new cabinet. Allegedly supporting the Communist stand, Sun Fo and T. V. Soong were said to have suggested that in order to maintain unity it was necessary to allot at least two portfolios in the Executive Yuan to the Communist Party.

Meanwhile Moscow was claimed to be intervening actively in the Kuomintang-Communist disputes on behalf of Chinese Communists. The Soviet ambassador at Chungking, on instructions from the Kremlin, was alleged to have informed Gen. Chiang Kai-shek that unless the Chungking government effects a speedy and satisfactory solution of the "feud" with the Communists, a serious change might occur in Sino-Soviet relations, possibly involving the withdrawal of military instructors and stoppage of military supplies. Meanwhile, Moscow was said to be bringing indirect pressure on Chungking by delaying the reception of Gen. Ho Yao-tsu, newly appointed Chinese Ambassador to the U.S.S.R.

In connection with the Japanese allegation about Gen. Ho Yao-tsu, a Chungking spokesman denied it as ridiculous. The spokesman asserted that not only is Gen. Ho not the new Chinese ambassador to Moscow, but he is still at Chungking. Therefore, the spokesman added, it is absurd to connect the presentation of credentials with Gen. Ho.

Chiang in Quandary?

Japanese reports pictured Gen. Chiang Kai-shek as being in a quandary between the Communist demands and the anti-Communist moves

United States Headquarters in Chungking

Photos by Thomas Kwang

These are pictures of the American Embassy in Chungking. Top, left, is a full view of the building, which is situated on the south bank of the Yangtsze. Lower left picture shows the Ambassador, Mr. Nelson T. Johnson, on the Embassy terrace with Mr. Robert Young of International Newsphotos. On the river below can be seen the American gunboat, U.S.S. Tutuila. Top right, Mr. Johnson is pictured at his desk, while in the picture beneath he is seen leaving the Embassy in a four-man sedan chair.

of the Kuomintang. As a compromise measure, the Japanese claimed, Gen. Chiang proposed that three or four Communist leaders be appointed as vice-ministers of certain departments of the Executive Yuan. Mao Tse-tung, chairman of the Communist Party, allegedly expressed dissatisfaction with the suggestion and urged Gen. Chiang to reconsider his attitude toward the Communist measures for collaboration between the Kuomintang and the Communist Party.

A peculiar feature of most Japanese reports on China's internal politics is that they seldom if ever reveal their source of information. At times some of the reports are so circumstantial as to suggest that the Japanese have individual spies to watch and follow the movements of all Chinese officials. Examples of this sort are numerous. The following few items, picked at random, may serve to illustrate what mental feat the Hongkong office of the *Domei* agency can perform in the way of reporting.

Alleged Trip to Yenan

Without quoting any source, *Domei* asserted that Gens. Feng Yu-hsiang and Chang Chun hurriedly returned to Chungking from Yenan on Dec. 1 on orders from Gen. Chiang Kai-shek, who allegedly had sent the two officials to the Communist headquarters to negotiate for a readjustment of Kuomintang-Communist relations. Gens. Feng and Chang were said to have informed Gen. Chiang that the Communists were determined to eliminate the so-called pro-American and pro-European factions and conciliatory elements from the ranks of the National Government. Based on this assertion, *Domei* predicted that a violent struggle was looming between the Kuomintang and the Communist Party, whether the Communist demands were rejected or acceded to.

Anti-communist sentiment among North China generals was said to be mounting, *Domei* further claimed, asserting that government troops in Shansi and Hopei had already clashed with Communist guerrillas for acquisition of spheres of influence. Despite Gen. Feng Yu-hsiang's advice to the contrary, Gen. Lu Chung-lin, Hopei chairman, and 14 other generals in North China, were alleged to have issued a circular telegram bitterly denouncing the Communist Party, which was accused of encroaching upon China in pursuance of orders of the Third International. Unless internal traitors were first eradicated, how could alien evils be overcome, the message was said to have asked.

The *Chung Hua Jih Pao*, organ of Wang Ching-wei in Shanghai, alleged that Gen. Lu had resigned as chairman of Hopei as a protest against the activities of Communist guerrillas in his province. The Communist Party was said to have recommended Gen. Chu Teh as Gen. Lu's successor, but the recommendation was rejected. As a compromise, Gen. Pang Ping-hsun, former subordinate of Gen. Feng Yu-hsiang, was appointed chairman of the province.

Relations Said Worse

Concerning relations between Chungking and Yunnan, Japanese reports alleged that they were growing steadily worse and might develop into an armed conflict. Gen. Chiang Kai-shek was said to have been determined to dispatch five divisions of the Central troops to Yunnan, while Gen. Lung Yun and other Yunnan leaders were resolutely opposed to the move and assertedly issued orders for the mobilization of all Yunnan troops. Chungking's attempt to reorganize the Yunnan provincial government was said to have been also stoutly resisted.

With the failure of Chou Chung-yueh, Minister of Interior and Yunnan's representative on the National Government, to mediate in the difficulties between Chungking and Yunnan, Gen. Chiang Kai-shek was said to have appealed to the good offices of Gen. Li Lieh-chun, close associate of Gen. Lung Yun, and several retired Yunnan leaders, including Li Ken-yuan and Yang Hsi-min. The latter were said to have wired the Central Kuomintang Headquarters expressing indignation over alleged subversive activities of radical elements against Yunnan, but promising cooperation with Chungking if the government adopted stern measures against the Communist Party. At present, a deadlock is stated to have occurred in the negotiations between Chungking and Yunnan, but it is believed that a compromise might soon be reached.

The return of T. V. Soong to Hongkong from Chungking early this week furnished a subject for a number of Japanese reports. It was

Glider over Chungking

Photos by Thomas Kwang

Chungking had its first exhibition of gliding on Nov. 18. The glider, purchased by the Ta Kung Pao, one of China's leading newspapers, is seen in flight in the top picture. In the center view the glider has landed safely. Below, the pilot, Mr. Wei Chao, is given a bouquet by two girl stars of the Chungking motion picture colony.

claimed that the mission of Mr. Soong in Hongkong was to summon a financial conference, the main topic of which would be the stabilization of the Chinese dollar. However, owing to the delay in the reorganization of the Chungking Government, the Japanese further alleged, the conference had been postponed. More than 40 financial and banking leaders are said to be now at Hongkong, prominent among them being Wang Hsiao-lai, Tu Yueh-sen, Chou Tso-min, Hsu Kan, Tang Shou-min.

Soong Declines Offer

Mr. Soong was reported to have declined the offer of the finance portfolio, but to have agreed to undertake a trip to the United States as head of a goodwill mission. He was expected to leave for America immediately after the financial parley. Armed with important letters from Gen. Chiang Kai-shek to President Roosevelt and from Dr. Wang Chung-hui to Secretary of State Cordell Hull, Mr. Soong would endeavor to negotiate a new loan for Chungking and seek more active American assistance to China. If Mr. Soong could succeed in his mission, Japanese circles in Hongkong predicted, he would accept the post of finance minister in the National Government upon his return.

In connection with the proposal to stabilize the Chinese dollar, the Hongkong bankers were reported to have formulated the following five-point plan:

1. Prohibition of government manipulation on the market.
2. Inspection of reserve legal currency.
3. Abandonment of the inflation policy.
4. Stabilization of prices in interior provinces.
5. A guarantee to investments in the interior.

Wang Ching-wei's Affairs

Despite categorical statements made by Japanese officials in Tokyo that inauguration of the projected Wang Ching-wei government is imminent, it appears that the matter has not progressed beyond the talking stage. Y. Suma, Japanese Foreign Office spokesman, who returned to Tokyo last week after a tour of central China, predicted that the new government would be established in the near future, but no definite date has yet been fixed.

Meanwhile, apparently to counter the effects of the recent Wang propaganda regarding the conditions for the formation of a new regime, the Japanese embassy spokesman in Shanghai announced last Saturday that a basic program of cooperation between the Japanese Government and Wang Ching-wei had been agreed to. The Japanese had agreed that Wang must establish a firm and independent government, while Wang had agreed that the Japanese should not withdraw their troops from China, the spokesman asserted. It may be pointed out that Wang recently demanded complete independence of his proposed regime and the withdrawal of Japanese troops. Now, in view of the Japanese assertion that Wang stipulated the presence of Japanese troops in China as a cardinal condition for the formation of the new regime, it is evident that the Japanese intend to place him at the mercy of their warlords and degrade him into a mere puppet.

In an attempt to justify Wang's dependence on the Japanese, the spokesman brought forward as an example the post-revolutionary period in the United States, when the infant American republic had heavy sledding in setting up governmental machinery. In the same category, he said, would be the formation of the new Chinese regime. The Japanese official failed to point out, however, that the American republic was built through its own efforts against the desire of the rest of the world, whereas the projected puppet China regime would have to depend on an alien power.

Tokyo Economic Conference

Heralding further economic penetration into the occupied areas of China by Japan, an important economic conference described by the Japanese as "epoch-making" was being held this week at Tokyo, attended by officials of the various puppet regimes in China and influential Japanese officials and business men, as well as representatives from Manchukuo. Sponsored by the so-called "East Asia Economic Talk Committee," the parley was said to be aiming at the consolidtion of relations among the three countries in the "New Asia."

Interesting revelations of what was alleged to have occurred at the bogus "Sixth Plenary Session of the Central Executive Committee of the Orthodox Kuomintang" last August under the chairmanship of Wang Ching-wei were made in Chungking by Loh Ching-tao, member of the C.E.C. and of the Control Yuan. Mr. Loh asserted that he was virtually kidnapped by Wang's followers and made to attend the session, but escaped after the meeting to Hongkong, whence he flew to Chungking. Packed entirely by Wang's associates, the session was held in utter disregard of regular Kuomintang procedure, Mr. Loh charged. Most of the members of the bogus "C.E.C." were appointed instead of being elected as required by the regulations of the Kuomintang.

Said Malicious Invention

Labelling the charges made by Mr. Loh as "malicious invention," Chu Min-yi, secretary-general of the "Orthodox Kuomintang" and close associate of Wang Ching-wei, vehemently denied that he had any part in "kidnapping" Mr. Loh. He charged that "disappointment" at not obtaining a high position from of Mr. Wang led Mr. Loh to "fabricate" the story.

With the Japanese drive into Fukien under way a new puppet regime is expected to emerge in that province in the near future. Negotiations are reportedly being carried on between Gen. Hwang Ta-wei, commander of the the first pro-Wang Ching-wei army in South China, and certain elements in Fukien for the establishment of a new provincial administration. Gen. Hwang's puppet troops are reported to have crossed the Kwangtung border into Fukien and occupied Chaoan.

Charged the with attempted murder of Kao Kuan-wu, "Mayor" of Nanking, on July 26 last, two alleged agents of Chungking, Chiang Yuan-ching and Liu Chang, are reported by the Japanese to have been arrested and are being tried by a Japanese court-martial in Nanking.

Jobless and abandoned, Wang Tsu-hui, former "Industry Minister" of Nanking, returned to Shanghai last week from an extended holiday in Japan. Wang was recently ousted from his post by Lien Yu, who previously held the post of acting "Foreign Minister" of the Nanking regime.

Further strengthening his hold in North China, Wang Keh-min, head of the Peiping regime, assumed last week the additional post of president of the Hsin Min Hui, the socalled New People's Party. More than 10,000 Japanese and Chinese were said to have attended Wang's inauguration ceremony. The Hsin Min Hui is the only legalized political party in North China and is organized and directed by the Japanese Army Special Service Corps.

Manila Protest Succeeds

As the result of a protest filed by the Chinese Consul-General at Manila, Dr. C. Kuangson Young, with Mr. Francis B. Sayre, United States High Commissioner for the Philippines, and President Manuel Quezon, a proposed plan for nationalization of retail trade in Manila has been suspended pending further consultations with the Washington State Department. The proposed measure, if carried out, will greatly harm Chinese interests in the Philippine islands. Replying to Dr. Young's complaint, High Commissioner Sayre said that he was "confident that President Quezon will do nothing to violate the American treaty with China."

The *Sin Pao*, a leading Chinese daily in the Dutch East Indies, was suspended for one week by the authorities in Batavia because of the publication of some anti-Japanese articles, according to a *Domei* report.

Henri Cosme, French Ambassador to China, who arrived at Chungking recently, was received by Gen. Chiang Kai-shek early this week. Ambassador Cosme has had several conversations with the Foreign Minister, Dr. Wang Chung-hui, since his arrival. French diplomatic authorities at Chungking are said to be watching closely the military developments in Kwangsi. Chinese circles express the opinion that Japanese operations in Kwangsi are intended as a step to strengthen Japanese encirclement against Indo-China.

Peru Totally Bans Chinese Immigration

The government of Peru issued a decree on Dec. 3 totally banning Chinese immigration, according to a *United Press* dispatch from Lima. The decree was issued after the government had denounced the Porras-Wu Ting-fang protocol because of alleged violation by Chinese of Peru's immigration laws.

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Japan, Britain Make Pearl River Deal

The Japanese authorities and British consular officials in Canton have concluded an agreement whereby both British shipping in the Pearl River and Japanese shipping at Hongkong will be increased. Announcement to this effect was made Dec. 1 by Mr. Nagao Kita, Japanese Consul-General at Canton. It stated, according to *Reuter*, that "with a view to facilitating the travel of third-Power nationals and the transportation of goods necessary for their communities, the British and Japanese authorities have reached an agreement whereby the number of British vessels navigating the Pearl River will be doubled, as will the number of Japanese vessels, chartered by the Japanese government, calling at Hongkong."

The Tokyo *Miyako Shimbun* reported on Nov. 25 that the British Ambassador to Japan, Sir Robert L. Craigie, had offered to transfer to the Japanese silver stocks (Chinese-owned) in the British Concession at Tientsin in exchange for the lifting of the Japanese blockade of that area. The offer was reportedly made to Mr. Masayuki Tani, Japanese Vice-Minister of Foreign Affairs. British officials in Shanghai, questioned by a *China Press* reporter, vigorously denied that any such offer had been made, but the British Embassy in Tokyo, according to a *United Press* message on Nov. 25, said that such a proposition might have been discussed.

The *Yung Pao*, Japanese Army organ in Peiping, reported on Nov. 25 that since the establishment of the enlarged "Chinese People's Anti-British Committee" last summer, 59 Chinese employees of British firms had left their employment and that British goods in 128 Peiping shops had been "inspected" by the Committee. It was additionally stated that the banking and money guilds had expressed their willingness to cooperate with the Committee by not dealing in or remitting sterling currency.

Puppets Collect Taxes In Western District

Tax collectors of the Bureau of Finance of the Shanghai Special Municipality began collecting the "municipal rate" in the extra-Settlement road area in Yu Yuen Road on Nov. 30. Shortly before noon, officials of the bureau reported that no trouble had occurred and that many residents had paid their tax, although no definite amount could be announced.

It was learned that the Special Municipality officials will not collect the tax from foreign residents and shop owners or managers in the extra-Settlement road areas which they consider to be under their control now. Negotiations on this question are still pending.

Colonel Fegan Departs For Washington Post

Ending his service with the Fourth Regiment, United States Marines, Col. Joseph C. Fegan sailed from Shanghai on Dec. 6 aboard the s.s. President Taft to take up a post in Washington, D.C. He is to be succeeded in the local command by Col. De Witt Peck, who is expected to arrive here early in the New Year.

On Tuesday morning Col. Fegan was escorted through the Loongfei Gate of the Race Course by mounted members of the Shanghai Municipal Police to witness an official farewell parade staged for him by the international military forces in Shanghai. He inspected guards provided by the Fourth Marines, the French, British, Italian and Japanese forces, and the Russian Regiment of the Shanghai Volunteer Corps, shaking hands with the officer in charge of each detachment.

The American community gave a farewell reception for Col. and Mrs. Fegan at the Columbia Country Club on Tuesday evening. On Monday evening Col. Fegan was entertained at the Police Club by officers of the Shanghai Municipal Police. In a brief radio talk over Station XMHA earlier in the day, the retiring officer spoke feelingly of his 15 months' service in Shanghai and thanked the people of the city for their hospitality and kindness.

Abe was Second High Officer to Die in Battle

According to the *Asahi Shimbun* the killing of Lieut.-General Norihide Abe in a fight with Chinese forces near Shangtzu, Hopei Province (date and circumstances unannounced) was the second instance in modern Japanese history where such a high army officer met death on the battlefield. The other case was that of Lieut.-General T. Maeda in the Russo-Japanese War. However, Gen. Maeda died of illness and not as the result of shot by the enemy as was the recent case of Gen. Abe. The foregoing report was published in Tokyo on Nov. 22. Six days later, on Nov. 28, a report from Hsinking, Manchukuo, told of the death of another high Japanese Army officer, Lieut.-General Shoichi Naito. The report (*Domei*) stated that he died of injuries caused by falling in a ditch "while commanding maneuvers over snow-covered ground near the Manchukuo border."

'Most Beautiful' White Girl Has a Narrow Escape

Miss Lucy Cherikova, 20-year old Russian girl from Shanghai, narrowly escaped serious injury while traveling from the airport to her hotel in New York when bullets fired by policemen at a fleeing bandit suspect passed near the car in which she was traveling. Miss Cherikova, who is known in Hollywood as "Linda Brent," has been called the "most beautiful white girl in the Orient," according to the *United Press* report.

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I.P.R. Said Converted Into Nippon Propaganda Organ

Kilsoo K. Haan, a Korean who heads the so-called Sino-Korean People's League, with offices in Washington, D. C., issued a statement on Nov. 25 charging that the Institute of Pacific Relations has become a Japanese propaganda organ and a party to the subjugation of China. Mr. Haan sent a letter, containing these charges, to the officers of the Institute who are assembling for the organization's seventh biennial meeting at Virginia Beach, Va., shortly. He also charged that the organization was fostering the spread of Japanese "culture" in the United States and Hawaii. The actions of the organization are, in his opinion, "un-American and contrary to the best interests of peace in the Pacific." Mr. Haan also asked why Koreans from Hawaii and from continental United States had been barred from the sessions of the Institute.

First Cargo of Egyptian Cotton Reaches Japan

The Star of Egypt, 4,365-ton freighter of the Alexandria Navigation Company, flying the Egyptian flag, made port at Yokohama on Dec. 1 with a cargo of 2,860 bales of Egyptian raw cotton for Japan. This was the first Egyptian ship to reach Japan since the establishment of trade relations between Japan and Egypt.

Negotiations between the British and Egyptian Governments for the purchase of Egyptian cotton up to an amount of £155,000,000, have not yet been concluded, according to a *Transocean* report from Cairo. The British Government repeatedly expressed its readiness to buy Egyptian cotton to compensate Egypt for stopping deliveries to Germany. The Egyptian Government as well as Egyptian cotton growers are said to be dissatisfied with the price Britain is offering.

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(中國評論週報)

桂中樞 C. S. Kwei, *Editor* | 朱少屏 P. K. Chu, *Business Manager*

191 Carter Road, Shanghai, China Telephone 31164

Whangpoo Dredging to be Resumed Soon?

Dredging of the Whangpoo, which has been suspended for the past two years, is expected to be resumed in the near future as a result of frequent negotiations among Japanese, British, American authorities and the Whangpoo Conservancy Board, according to the *Tairiku Shimpo*.

The board probably would be reorganized to exclude Chungking influences, with Mr. L. H. Lawford, Commissioner; Mr. Yaroku Sugiyama, Harbor Master, and Mr. Li Chien-nan, Superintendent of the Shanghai Customs, as directors, and Japanese in other positions, the paper predicted.

Dredging of the river will be done with Japanese assistance and if it is completed will prevent to some extent the flooding of city streets, the journal said.

Manchukuo Bond Issues for 1939 Total Yen 819,000,000

The total amount of public bonds issued by the Manchukuo Government and debentures issued by various companies, including the South Manchurian Railway Company, has reached Yen 819,000,000 for the current fiscal year, it was announced in Hsinking on Nov. 25. Issuance of approximately Yen 1,000,000,000 worth of public bonds and debentures in Manchukuo the next fiscal year was anticipated, according to *Domei*.

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India Strike Movement Spreads; 8,000 More Out

Some 8,000 workers in Naihati, near Calcutta, downed tools on Dec. 1 to join 36,000 employees of jute mills in Calcutta who are on strike for higher wages and better working conditions, according to a *Transocean* report from Amsterdam. According to the German agency, the strike movement is assuming a growingly nationalist character, the walls of the jute mills and of houses being plastered with anti-British slogans.

The same agency reported that the executive of the All-India National Congress, meeting in Allahabad late last month, resolved upon a boycott of British goods, in addition to general non-cooperation, in the event that the Viceroy should once more refuse to comply with Indian demands for the summoning of a constituent assembly which would work out a constitution providing for India's independence.

Gurkha troops, Indian fighters who acquired a great reputation in the last World War, are shortly to be sent to France, *Reuter* reported from New Delhi on Nov. 29. The governor of Nepal will send eight battalions to France early next year, it was stated. Nepal is an "independent" native kingdom, lying between British India and Tibet, most of whose inhabitants are Gurkhas.

Tokyo Launches Campaign For National Uniform

A campaign will be launched by a clothing society in Tokyo to popularize the wearing of a "national uniform" instead of European-style suits, according to *Domei*. The campaign, it was believed, would check the importation of wool. The proposed uniform resembles the summer coat issued to landing parties of the Japanese navy, and could be converted into use for military wear.

Khaki in color, the proposed uniform makes the wearing of a shirt or a necktie unnecessary. The front of the uniform resembles a kimono. The trousers are similar to those worn by military men. However, any colored trousers can be worn.

The society urged those who plan to make a new suit to adopt the "national uniform." Uniforms for students and factory workers will also be designed, it was stated.

The War Office is sponsoring the clothing society's proposed new uniforms.

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91-077

Outstanding Events in the Sino-Japanese War A DAY-TO-DAY SUMMARY

First installment of this day-to-day summary constituting a complete record of outstanding events in the Sino-Japanese war on all fronts appeared in the September 11th (1937) issue of the Review.

November 14

Death penalty would be meted out to all merchants dealing in Japanese goods, Chinese government announced in launching a determined campaign to suppress the flow of Japanese merchandise into "free China." "Committee for the Suppression of Enemy Goods" organized in Chungking with Mayor Ho Kuo-kwang as chairman.

Chinese Foreign Office notified (yesterday) of the withdrawal of British troops from North China. Chungking press viewed the British move as an indicaton of weakness. Previous understanding between the Japanese and the British charged.

Officially denied in Chungking that K. P. Chen would be appointed Minister of Finance replacing Dr. H. H. Kung and that T. V. Soong was going to America on a goodwill visit.

***

November 15

Foreshadowing large-scale Japanese invasion of Southwest China, Japanese troops were landed in the Chinchow Bay area, southwestern Kwangtung near the Kwangsi border. Japanese navy office spokesman announced that aim of the new Japanese move was to "tighten the blockade of the South China coast" so as to cut off entirely the arms supply to the Chinese government by sea.

Three-hour conference held (last night) by M. Alexander Semionovitch Panaouchkine, Soviet Ambassador, and Dr. H. H. Kung, President of the Executive Yuan. Hope for increased trade and closer friendship between China and the Soviet Union expressed by the two officials.

Japanese reports of growing friction in Kuomintang and Communist relations denied in Chungking; questions of relations between the two parties not to be discussed by the present Kuomintang C. E. C. 6th Plenary Session. Proposal for the institution of constitutional government in China said main item on the conference agenda.

Sir Archibald Clark Kerr, British Ambassador, returned to Shanghai after two-month visit to Chungking.

Nelson T. Johnson, American Ambassador, left Chungking for Shanghai en route to Peiping.

***

November 16

Fighting continued in the vicinity of Lungmen and Pakhoi in the Chinchow Bay area, but the Japanese attempt to capture Pakhoi said frustrated. Kwangsi and Kwangtung troops defending the region had destroyed roads and wide areas of paddy fields to block the Japanese drive either in Pakhoi or Nanning, former capital of Kwangsi.

China reported to have placed a huge order for airplane parts with the United States Aviation Corporation; total cost of the order said to be US$1,000,000.

Yakichiro Suma, Japanese Foreign Office spokesman, arrived at Shanghai; denied rumors of Soviet-Japanese plans to partition China as a means of ending the Sino-Japanese hostilities; believed Japanese-American relations would improve; Soviet-Japanese non-aggression pact said unlikely; asserted that solution of the current China conflict could be best achieved through realization of Prince Konoye's peace terms of December 22, 1938.

Britain and France wooing Japan, said the **New York Post** in commenting on the withdrawal of British and French troops from North China; independent American policy in the Far East urged.

***

November 17

Japanese claimed capture of Fangcheng in the Chinchow Bay region yesterday. Fangcheng is a strategic town between Kwangtung and Kwangsi provinces, near the French Indo-China frontier. Yamchow (Chinghsien), some 60 kilometers northeast of Fangcheng, also reported occupied.

Severance of Chungking's import routes from Indo-China said the chief objective of the Japanese operations in Pakhoi, declared Japanese army spokesman in Shanghai.

The Japanese move in the Pakhoi region believed merely a "smoke screen" to cover a more important forthcoming major offensive, declared Chungking military observers. Pakhoi zone said practically invulnerable because of the "Hundred Thousand Mountain Ranges" on Kwangsi-Kwangtung border.

The Sixth Plenary Session of the Kuomintang C.E.C. at Chungking adopted 16 resolutions including Gen. Pai Chung-hsi's proposals calling for wartime personnel regulations and employment of jobless youths. Meetings of the past few days mainly devoted to secret reports given by government officials.

Officially announced in Chungking that French Indo-China authorities had lifted the restrictions on foreign goods bound for China. No German goods, however, allowed to enter French territory.

An appeal to the United States to end her sales of raw materials and strategic commodities to Japan made by Dr. Sun Fo, president of the Legislative Yuan, now visiting in London, in interview with the United Press (yesterday).

***

November 18

Situation on the Kwangtung-Kwangsi border tense following Japanese occupation of Fancheng and Chinghsien (Yamchow), northwest of Pakhoi; the Japanese said pushing inland towards Nanning. Pakhoi remained in Chinese hands.

Twenty-seven Japanese planes bombed the outskirts of Chungking; extent of damages done unknown.

Henri Cosme, French Ambassador, left (yesterday) Hongkong for Chungking by way of Saigon.

Japanese Foreign Office denied the statement made by Y. Suma in Shanghai that the establishment of the new "central government" of China by Wang Ching-wei had been postponed.

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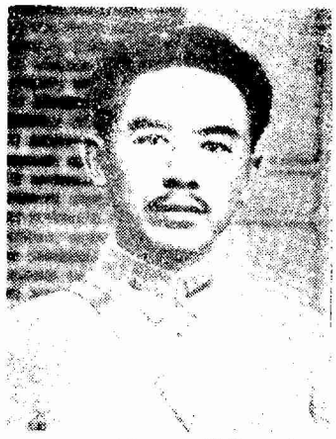
Who's Who in China

Gen. Sheng Shih-tsai, Border Defence Commissioner of Sinkiang; native of Liaoning (Fengtien); received his military training in Japan; served in the Northeastern Army first under Gen. Kuo Sung-lin and later under Gen. Chang Hsueh-liang; joined the Nationalist Revolution and was a staff officer in the Headquarters of Generalissimo Chiang Kai-shek; went to Sinkiang upon the



Gen. Sheng Shih-tsai
盛世才

invitation of Gen. Chin Shu-jen, then governor of the province, and was appointed a staff officer; when Gen. Chin was ousted by the Mohammedan leader, Gen. Ma Chung-ying, Gen. Sheng, with the assistance of the Northeastern troops repatriated from Soviet Russia (these troops retreated into Russia in 1932 after the Japanese occupation of Manchuria), rose to oppose Gen. Ma; in the ensuing struggle lasting more than a year, Gen. Ma was finally defeated and Gen. Sheng became predominant in Sinkiang; under his able administration, Sinkiang has become unified and is being modernized; he is now holding the post of Border Defence Commissioner of Sinkiang but really the supreme leader of the province; address: Headquarters of the Border Defence Commissioner, Tihwa, Sinkiang.

Japanese military authorities in Nanking reported ready to suppress opposition by Wang Keh-min of Peiping against Wang Ching-wei's plans to form a new puppet regime.

"The Tientsin blockade will continue until a satisfactory solution of pending questions is achieved," declared Gen. Homma, Commander of Japanese troops in Tientsin.

*
**

November 19

Kuomintang C.E.C. Plenary Session decided to convoke the National People's Congress on Nov. 12, 1940 to enact and promulgate a constitution for China, thereby inaugurating constitutional government to succeed the present one-party-rule.

Japanese reports of split between the National Government and the Communists denied by Dr. Chu Chia-hua, Secretary-General of Kuomintang. Both parties said aiming at crushing Japanese invaders. Dr. Chu said that the political and military strength of the Communists was greatly exaggerated and that "if peace terms were to be arranged between China and Japan, it would not be necessary for the Central Government even to consult the Communists." The Communists' claim for equality with the Kuomintang denied.

Anti-Chinese movement continued to grow in Siam as a result of persistent Japanese propaganda and steady Japanese influence over the Siamese authorities. Many Chinese forced to close their business and return to China.

Air service between Chungking and Hami (Sinkiang) inaugurated.

Japanese residents in Nanking now number 7,599.

*
**

November 20

Gen. Chiang Kai-shek appointed to the additional concurrent post of president of the Executive Yuan succeeding Dr. H. H. Kung by the Kuomintang C.E.C. Sixth Plenary Session which adjourned after meeting for one week. Two major achievements of the session said to be 1. decision to convoke the People's Congress in November 1940 to enact a constitution and 2. reorganization of the administrative branch of the government. Session issued lengthy manifesto reaffirming China's policy of resistance against Japanese aggression.

Two squadrons of Japanese bombers severely raided Nanning yesterday, as Japanese forces continued to advance inland toward the important Kwangsi city. More Japanese troops landed in the vicinity of Pakhoi. Japanese claimed occupation of Tatang, 50 miles from Nanning.

Ambassador Nelson T. Johnson arrived at Shanghai from Chungking; conferred with local American officials.

The Communist paper **Hsin Hua Jih Pao** urged the United States to adopt further measures against Japan. The paper scored Britain and France, saying that "The withdrawal of British forces in North China is just one link in the long chain of concessions to Japan since the Anglo-Japanese parleys in Tokyo."

Keel of Huge New Japanese Liner Laid

Keel-laying ceremonies for Japan's biggest liner, the 27,000-ton Izumo Maru, were held at the Kawasaki Dockyard, Kobe, on Nov. 30. The huge namesake of the flagship of the Japanese China Seas Fleet will be 218 meters long, with a 26.7 meter beam and a draft of 13.9 meters. She will join the Japan-California service of the Nippon Yusen Kaisha in 1942. Equipped with steam turbines, unlike the present trio of crack N.Y.K. trans-Pacific liners, the vessel will have a contract speed of 24 knots. Accomodations will be provided for 220 first class, 120 second class and 550 third class passengers.

A sister-ship, the Kashiwara Maru, will be built at the Mitsubishi Dockyards in Nagasaki.

A net profit of Yen 7,937,000 was made by the Nippon Yusen Kaisha during the six months ending Sept. 30, Mr. Noburo Otani, president of the Company, reported at a semi-annual meeting of the stockholders in Tokyo on Nov. 30.

91-079

Men and Events

Yu Ching-tang has been appointed Administrative Vice - Minister of Education of the National Government, according to *Kuomin* report from Chungking on Dec. 2.

*

American Ambassador Joseph C. Grew and Mrs. Grew were guests of the American Association at Kobe on Thanksgiving Day, Nov. 23, for luncheon. It was Mr. Grew's first visit to Kobe since 1932.

*

According to a report in the London *Daily Herald* on Nov. 29, Ernst Thaelmann, noted German Communist leader, was executed by the Nazis a few days before the signature of the Stalin-Hitler non-aggression pact. Thaelmann had been in the notorious Moabit Prison in Berlin since 1933.

*

Mrs. Benjamin Kopf, whose husband is the manager of the Ford Motor Car Company of Japan, has returned to Yokohama, following a visit in Shanghai where she was the guest of Mr. and Mrs. J. E. Perkins and Mr. and Mrs. J. V. Crowe.

*

Robert Ripley, writer and originator of the famous "Believe It Or Not" newspaper feature, arrived in Japan on Nov. 18 and planned to make a trip to Manchukuo and North China and possibly to Shanghai. He travelled to Japan on the Asama Maru.

*

Kaiseki Matsumuru, well - known Japanese Christian leader, died in Tokyo on Nov. 30 of hardening of the arteries. He was 80 years of age and had been instrumental in the establishment of the Church of Japan at the age of 48. The Church later became known as the Church of the Way.

*

Dr. Philip Scheidemann, first Chancellor of Republican Germany after the revolution of November, 1918, died in Copenhagen on Nov. 29 at the age of 74. He was the leader of the German Social Democratic Party during the last World War. When the Nazis came to power in 1933, he fled abroad.

*

Miss Barbara Maureen Taylor, who has been connected in a secretarial capacity with the American Chamber of Commerce for some time, was married on Wednesday, Nov. 29, to Aries Geurtz, who is of Netherlands nationality. Following the ceremony the couple departed for the Netherlands Indies where they will reside.

*

Chiang Wei-kuo, second son of General Chiang Kai-shek, who recently arrived in the United States from Germany, will remain in the United States for some time in order to take a special course in aviation. He is now stationed at Randolph Field and after completing his work there will inspect other fields before returning to China. He was enrolled at a military school in Germany but left that country following the outbreak of war.

G. S. Moresthe, manager of the local French newspaper, *Journal de Shanghai,* departed on Monday of this week for Tokyo where he will spend some time interviewing officials of the Foreign, Army and Navy departments of the Japanese Government. J. Fredet will be in charge of the French paper in Mr. Moresthe's absence.

*

Mrs. Jeanne Marie Moller was granted a divorce by Judge Sir Allan Mossop of the British Court on Friday, Dec. 1, from her husband, Eric B. Moller. Mrs. Moller charged misconduct. Mr. Moller did not contest the case. Eric B. Moller is a director of Mollers Ltd., one of the leading British shipowners, agents and freight brokers in Shanghai.

*

Dr. K. C. Wu, who was chief secretary to Quo Tai-chi, Commissioner of Foreign Affairs at Shanghai in 1928, will shortly be appointed Mayor of Chungking, according to *United Press* report from that city on Dec. 3. Dr. Wu was mayor of Hankow up to the Japanese occupation of that city and since has been a member of the Supreme National Defense Council at Chungking.

*

Prince Yasuhito Chichibu, younger brother of the Japanese Emperor and a colonel in the Japanese Army, returned to Tokyo on Dec. 3 after an eight-day tour of central China during which he visited Shanghai, Nanking, the Wuhan cities, Sinyang (on the Peking-Hankow Railway), Yochow (at the mouth of Tungting Lake in Hunan) and Nanchang, capital of Kiangsi province.

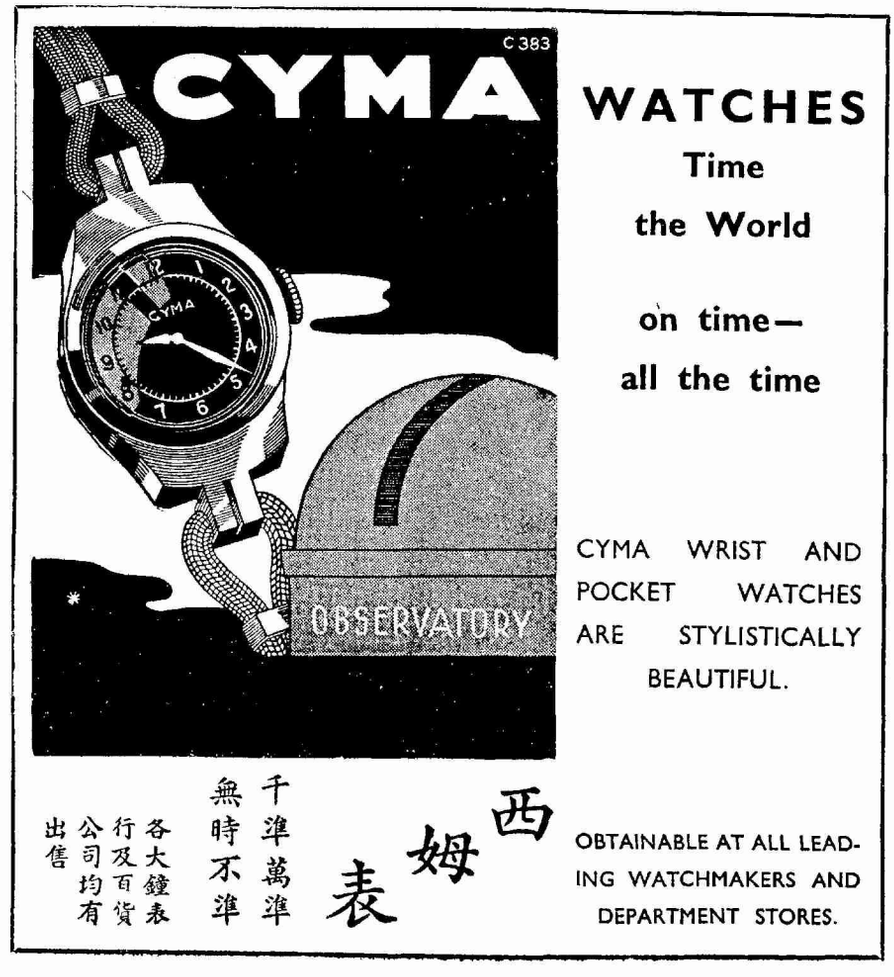
The Finnish Olympic Committee suspended all preparations for the 1940 Olympic Games on Dec. 1, according to *Transocean* report from Helsinki. This marked the second decision to drop the 1940 games as Japan was forced to surrender its commission to hold the games when it started its invasion of China two years ago. The rules of the International Olympic Committee specify that the games cannot be held in a nation which is involved in war, according to the report

*

The directors of the New York World's Fair announced on Dec. 2 that the Soviet Union had decided it would not participate in the fair next year. The Soviet authorities also announced that their U. S. $3,-000,000 pavilion, one of the notable buildings at the Fair, would be dismantled within 40 days. As it was expected that the Soviets would continue their exhibition next year, the announcement created considerable surprise and was thought to be connected in some way with the European war situation.

*

The authorities of Buenos Aires, South America, have ordered 108 Chinese sailors left stranded there by German steamers, to be returned to China on Japanese ships. The sailors at first refused to return on Japanese boats due to fear the Japanese might turn them over to hostile puppet governments. However, the Japanese announced that their war was against Gen. Chiang Kai-shek, hence "did not affect the Chinese people." The first group was scheduled to sail from Buenos Aires. Dec. 2.



The Institute of Pacific Relations opened its biennial conference at Virginia Beach, Virginia on December 3 with 120 delegates present representing the United States and Far Eastern countries. Among the speakers were listed Admiral Harry E. Yarnell, former commander of the United States Asiatic Fleet, and Dr. W. W. Yen, former Chinese Ambassador to Russia. Dr. Ray Lyman Wilbur, president of Stanford University, was among those attending the opening session. The meetings of the Institute are held in secret but printed reports are issued after the close of the sessions.

*

The Board of Community Church announced in its *Bulletin* for Dec. 3 that Miss Li Djoh-i had been employed as social worker among Chinese children. Miss Li is a former student at the University of California and recently was a delegate to the World Conference of Christian Youth at Amsterdam. Miss Li will work with the newly-established Child Protection Service of the Municipal Council of the International Settlement. As she was absent in the summer, her work was taken over temporarily by Miss Tai T'ing T'ing, whose work was highly commended by the Council. Miss Li will be employed for one year.

*

The decoration, Order of the British Empire, bestowed by the King of England, was presented to H. J. P. Anderson, well-known British resident of Kulangsu, at a formal ceremony on Nov. 22. Senior officers of the Kulangsu Municipal Council and Consular Body were present. The British Consul, in making the presentation, spoke of Mr. Anderson's contribution toward peace in that area, his service being notable on three occasions, the Communist invasion of Fukien, the period of the revolt of the 9th Army and the recent Japanese occupation. Mr. Anderson, who came to China from Aberdeen and received his education at Aberdeen University, has resided at Kulangsu for about 40 years. He is connected with the English Presbyterian Mission.

*

Japanese fishermen, or alleged fishermen, became involved in complications in two widely separated spots on the globe on the same day, Sunday, Dec. 3. The first was a complaint from Victoria, British Columbia, Canada, stating that armed crews of Japanese fishing boats had forcibly expelled Canadians from Galiano Island and the Straits of Georgia, which are just within the Canadian waters. It was claimed that the Japanese had set up curing sheds on the Island and had threatened residents. The second report was from Honolulu alleging that a Japanese fishing vessel, the Ebisu Maru, had trespassed in the defense area of the Pearl Harbor Naval Base in Hawaii. The Japanese captain and crew were arrested and sent to Honolulu for trial upon orders issued by Rear-Admiral Orin G. Murfin, Commander of the 14th Naval District. A Hawaiian named Captain William Kelice and his crew of eight Filipinos were also arrested on a similar charge at Pearl Harbor a few days previously.

The American Consulate-General is now engaged in revising its lists of local American residents and dependents. Forms and cards have been mailed to all local American residents asking them to supply information regarding their places of residence in Shanghai and the names of family connections in the United States. The notice stated that in case of serious trouble it was "highly necessary that the American authorities, civil and military, know what Americans are in Shanghai and where they reside."

*

The plant and equipment of the Tachikawa Aircraft Manufacturing Company, located in Japan, is to be moved to Manchuria immediately, according to a report in the *Japan Advertiser* stating that 50,000 shares of the Tachikawa concern had been sold to Manchuria Aircraft Manufacturing Company. The Manchurian Aircraft Manufacturing Company, organized several months ago, had been slow in starting production and had been negotiating for the purchase of the Showa Aircraft Manufacturing Company of Japan. Numerous subcontractors affiliated with the Tachikawa Company will also move to Manchuria.

*

Christmas turkeys in Shanghai this year will be both scarce and expensive, according to reports from Tinghai on Chusan Island, which is the source of most of Shanghai's Thanksgiving and Christmas turkeys. The restriction is due to the creation of a "Turkey Control" bureau by the Japanese military authorities who occupied the city several months ago. Farmers are prohibited from shipping turkeys from the Island until they have been taken to the bureau for inspection and a tax paid. The turkey breeding industry at Chusan was created practically a century ago when the island was occupied for several years by British troops. Chusan is the largest of the Chusan group located off the mouth of Hangchow Bay. It has about 100,000 population.

*

The National City Bank of New York, according to a statement made in the First Special District Court on Dec. 2, erroneously paid the sum of U. S. $1,800 ($25,000 Chinese currency) to a Cantonese girl named Chen Sin-man, when the money should have been paid to another Chinese girl named Chen San-mei. The money was remitted to the Shanghai office of the American bank by relatives in San Francisco. Miss Chen Sin-man, who received the money, claimed in the First Special District Court that she had loaned the money to an Italian friend named Ugo Chiesa, who had gone to Japan. The girl was stated to have had an account at the Bank, which apparently was the cause of the error due to similarity of names. When the police searched her home they were able to find only U. S. $35. Miss Chen Sin-man was sent to the Women's Detention House for a week, pending investigation. As the girl was only 17 years of age she was thought to have been prompted in the action by her Italian associate.

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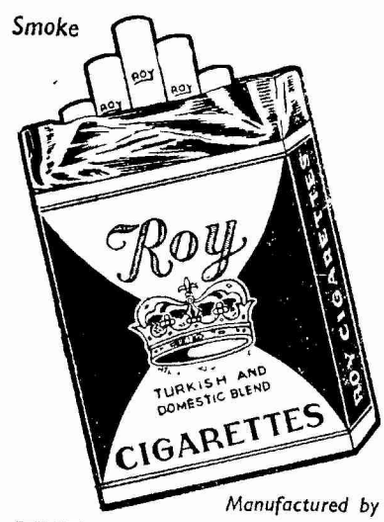

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91-082

The U. S. S. Marblehead, light cruiser of the U. S. Asiatic Fleet, returned to Shanghai from Manila last week and is now anchored in the Whangpoo opposite the Bund.

*

Cabot Colville, second secretary at the American Embassy in Tokyo, has been assigned to the Far Eastern Division of the State Department. His place in the Embassy at Tokyo will be taken by William T. Turner, who is now Consul in Dairen.

*

Freeman Fu-chang Koo, son of V. K. Wellington Koo, Chinese Ambassador to France, was elected a member of the business board of the *Harvard Crimson*, leading undergraduate daily, on Nov. 29. Young Koo is a member of the sophomore class.

*

The trustees of the Nobel Foundation at Oslo announced on Nov. 28 that the Nobel Peace Prize would not be awarded this year because of the war situation. It had been rumored that President Franklin D. Roosevelt and Neville Chamberlain had been regarded as leading candidates for the prize.

*

E. C. Peters, for many years chairman of the Municipal Council in the Tientsin British Concession, died suddenly of a heart ailment on Nov. 28. His death occurred while he was attending a meeting of the Tientsin Land Investment Company, which was held in the office of William Hunt and Company, of which he was Tientsin manager.

*

Madame Sun Yat-sen, honorary chairman of the Hongkong Promotion Committee of the Chinese Industrial Cooperatives, will speak over Hongkong Radio Station ZBW on Sunday evening, Dec. 10, from 8:45 to 9 o'clock. Wave lengths are: (Long) 8.45 kilocycles or 355 meters; (short) 95.25 kilocycles or 31.49 meters.

*

Liu Tse-hing, assistant engineer on the 11,246-ton tanker California Standard, was seriously injured in an explosion which occurred on the ship on Dec. 4 at the Mitsubishi Wharf at Kawasaki, Japan. The explosion was caused by a leaking oil pipe, according to the *Domei* report. The vessel belongs to the Standard Oil Company.

*

Agnes Smedley, American writer and relief worker, who has had charge of a hospital in southern Anhwei, recently made an extensive trip through the interior areas of Anhwei and Honan. In an interview published in *The Shun Pao* on Dec. 2, Miss Smedley expressed confidence that China would win the final victory. She said it was a mistake to regard Japan as the controller of half of China's territory, because the Japanese only hold the lines of communications and a few cities. She said that in the areas controlled by the guerrillas peace and order were maintained and many schools had been opened.

The *Japan Chronicle* for Nov. 30 told of a "certain foreign lady resident of Kobe," who recently attempted—unsuccessfully—to smuggle into Japan a coat, a pair of gloves and a handbag, which she had purchased in China. When questioned by the Kobe Customs officials, she at first claimed to have purchased the articles in Kobe but later said they had been purchased by a relative in Peiping. The Customs confiscated the articles and also imposed a fine, according to the account.

*

T. H. Koerner, who has been connected with the European organization of Haskins and Sells, certified public accountants, for the past ten years, has arrived in Shanghai where he will be in charge of the office here. M. W. Cardwell, who has been acting manager here, is planning to return to the United States on leave early next year. Prior to his arrival in Shanghai, Mr. Koerner spent several months at the Manila office of the company.

*

Nelson T. Johnson, American Ambassador to China, who has been in Chungking for several weeks, arrived in Peiping on Nov. 29 and plans to remain there with his family over the Christmas holidays. Mr. Johnson stated that his visit to Peiping had no diplomatic significance. Reports in the Chinese papers alleged that Mr. Johnson had planned to meet Sir Archibald Clark Kerr and the Japanese Minister S. Kato in Peiping for a conference.

*

Frank Oliver, who has had charge of *Reuters* office in Peiping for several years, departed from Shanghai on the President Taft this week for Washington, D. C., where he will have charge of Reuters office in the American capital. Mrs. Oliver will visit her mother in Shanghai for several weeks prior to proceeding to the United States. Mr. Oliver was previously stationed in Shanghai and has had extensive journalistic experience in the Far East. He is the author of a new book dealing with the Sino-Japanese crisis, "Special Undeclared War," which has had an extensive sale in the United States and Great Britain.

*

The Rev. Sir Montague Beauchamp, Bart., M. A., of the East Szechwan Diocese, died at Paoning on Oct. 26, according to a report in the *North-China Daily News*. He was 80 years of age and was buried by the side of his associate, Bishop Cassells. Sir Montague Beauchamp was one of seven—the famous Cambridge Seven — missionaries who came to China in 1885. D. E. Hoste of Shanghai is now the sole surviving member of the group. Sir Montague was the son of Sir Thomas and Lady Beauchamp of West Norfolk, England. After graduation from Trinity College, Cambridge he came to China and joined the China Inland Mission, later engaging in the work of the Church of England. He was married in 1892 to Miss F. Barclay. Sir Montague's son, who is engaged in medical missionary work, is a resident of Paoning.

New Books of Interest in the Far East

Death from the Air

AHRIMAN: A Study in Air Bombardment—By Oliver Lyman Spaulding, Brig.-Gen., U.S.A., Retired. Published by the World Peace Foundation, Boston, Mass., 1939. Price U.S.$1.00 (cloth) 50 cents (paper).

"Ahriman" is a word taken from an ancient Eastern system of philosophy and meaning the spirit of evil, opposing the divine principle Ormazd. Aside from the author's digression into philology, this volume is most decidedly 1939 in all its aspects, and it comes particularly pat to the European hostilities which developed a for weeks after it left the press. By reading it, one can gain considerable insight into what has happened—and what has not happened—in the air thus far in the course of the new war.

General Douhet's spectacular theory of aerial frightfulness as the predominant weapon is detailed fully, and forms the subject of much comment in the course of the volume. "The essentials of his (Douhet's) program," summarizes the author, "are concentration upon heavy bombing planes, almost to the exclusion of all other types; building the entire war plan around this bombing fleet, and not only treating it as the principal arm but making it actually independent, to fight the war alone; maintaining that fleet always on a war footing, so as to require no mobilization period, however short; launching that force as the first action of a war; assigning centers of population as such for bombing objectives, not for the destruction of installations of military importance, but specifically for the purpose of bringing direct pressure upon the people to force the governments to make peace; and ordering the fleet to proceed with its special missions at all hazards, regardless of losses and almost regardless of self-defense."

To the analysis of merits and demerits of this idea General Spaulding brings a trained mind plus the experience thus far gained in air warfare all over the world, which he admits is not more than preliminary thus far. The first World War stopped before aerial warfare really began in a modern sense, China has seen "a vast amount of air bombing, but reports of it are extremely vague and unreliable" though "some of it would seem to have taken the Douhet form, in that it was directed primarily upon centers of population, not as military objectives but as centers of civilian morale"—and finally Spain, while affording the best samples, has always seen air bombardments used as incidental to ground operations even when a whole city was the objective.

The writer finds the cost of the Douhet plan stupendous, and usually under-estimated through reckoning in only flying personnel and by similar expedients. In his own view and that of others, he sums up that Douhet was wrong in feeling that this cost was justified on the basis that air forces could bring victory single-handed; moreover, if the air attack failed and all resources had been spent on it, the attacking nation would be utterly helpless. Such a gamble is too great.

As to what the air raid can accomplish, evidence sums up that concrete results are not nearly as great as advertised. The gas bomb seems by no means as dangerous as has been declared, for a variety of reasons here well set forth. High explosive is capricious and more localized than most realize.

China is mentioned in this chapter: "It would appear that although cities have often been bombed the results have been inconsequential unless some real military objective was found, such that its destruction tended to have an actual effect upon the course of the campaign. Little effect upon morale was noticeable. This evidence may perhaps be discredited by the Douhet school, on the ground that the Chinese population is so vast that anything more than a local panic would be hard to start; also that the mentality of the Chinese is not the same as that of Westerners." But in Spain, even heavy concentrations upon single objectives (in the true Douhet style) caused observers to find that, in the words of one, "the bombing of civilians is most unlikely to win a war, and on the contrary serves to prolong it."

The author gives interesting information on possible preventive action, and incidentally discredits Douhet's notion of an all-purpose bomber protected additionally by a few scouts; any plane, he finds, has to specialize unless it is to be outclassed by others which do. The appendix includes proposed rules for regulation of aerial warfare, as drafted in 1923; they, and even the author's ideas of international regulation, read rather oddly now.

R.G.

Somewhat Out of Date

MEN MUST ACT—By Lewis Mumford. Published by Harcourt, Brace and Company, New York.

The prestige which this book might have enjoyed up to a little less than a year ago, it has lost in an immeasurable amount now that men have acted. From the viewpoint which he shows throughout, one is inclined to believe that Mr. Mumford is just

THE TIME OF JACOB'S TROUBLE

"We are now, obviously, at the beginning of the period of prophecy known as the time of 'Jacob's Trouble' In all my works since 1924, I have reiterated that the Great Pyramid's prophecy proves to demonstrate that Anglo-Saxon civilization in the British Empire and America is the civilization which is specifically referred to as Divinely chosen to lead by learning, as Jacob learned, the errors of its self-willed ways ....Interpreting the Pyramid symbolism in terms of Biblical phraseology "Jacob reaps the harvest of his evil years" .. Nevertheless, the Book of Revelation and the King's Chamber symbolism represent the whole process as an ascension into the Kingdom of God Modern "Jacob", maimed and blind as to his destiny, and in the dark as to what is happening, has entered the King's Chamber period of Divine Assessment and Judgment—which for "Jacob" is a period of Divine Guidance and Protection, during his moulding, and perfecting to become "My People, Israel." The Great Pyramid's prophecy indicates the spiritual change from "Jacob" to "Israel" as taking place progressively between June 25th, 1941, and November 10th, 1948 ..During that period "Jacob" has to put away all his strange gods, be deprived of all his treasured worldly possessions and adornments, and advance, stage by stage before he can truly become the Theocentric "Isreal" ... The one thing which matters in the world to-day is the redemption of Israel."

From an article entitled "Great Pyramid Prophecy and 'Jacob's Trouble'" in THE NATIONAL MESSAGE, by David Davidson, M.C., M.I. Struct. E., Author of THE PYRAMID: ITS DIVINE MESSAGE, 25s.; THE GREAT PYRAMID'S PROPHECY CONCERNING THE BRITISH EMPIRE AND AMERICA, 1s.; THE DATE OF THE CRUCIFIXION AND ERA OF NEW BIRTH, 2s. 6d.; THE DOMINATION OF BABYLON: LITERAL AND SYMBOLIC, 2s. 6d.

By Israel the Author means the whole race of Israel, including the Royal House of David, the House of Israel or the Northern House, the House of Judah, or the Southern House, and the remnant known as The Jews—the great majority of whom are already gathered under the leadership of Joseph in Celto-Anglo-Saxondom—with representatives scattered throughout every nation.

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"SURELY I COME QUICKLY," saith He which testifieth these things (Rev. 22:20), the Lord, Jehovah, of Hosts, the Redeemer of His Beloved Bride, Israel, the Head of His Body the Church of true Believers everywhere in whom dwelleth His Holy Spirit, and Saviour of the World.

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another one of those writers of liberal views who were sold out so completely by the recent Soviet-Nazi rapprochement. He exhibits all the marks of the run-of-the-mill Popular Front intellectual. He accepts the previously communist-fostered division of the world into fascist and non-fascist states; he is convinced of the democratic purity of the Loyalist cause in Spain; the Church he sees as the natural ally of dictators; her repeated warnings against Communism he derides; he says singularly little about Russia; he even sounds the prelude to most recent events by excoriating Great Britain and France; but, he does not in the least seem to suspect that Mock-Trialist Stalin will one day prove a worthy running-mate for Camp-Controller Hitler.

The book appears to have two closely connected purposes: to engender among the people of the United States a feeling of anger and hatred towards all that the Swastika and the Fasces symbolize; and, to propose a suitable plan for bringing that feeling into effective but, professedly, non-warlike action. To awaken one's countrymen to a realization of a despicable form of tyranny that threatens their democratic security is a laudable thing, but if while presenting the first danger a second and infinitely more real danger is glossed over and minimized, all laudability departs from it. And, that is what Mr. Mumford does. When he calls the 'view halloo' on "Fascism" Mr. Mumford is, either deliberately or inadvertently, drawing a red-herring across the trail of Communism. As to the proposed plan of action, not the least of its damning features is the fact that it leads straight to war.

P.J.O.

A Prophet Confounded

RUSSIA AND THE APPROACH OF ARMAGEDDON: An Estimate of the World Political Situation. By Charles S. Seely, Lt.-Commander, United States Navy, Retired. Philadelphia, Dorrance and Co, 1939. 206 pages. Price U.S.$2.00.

This book is a fine illustration of the futility of prophecy in so-called factual books. Referring to the European situation, Commander Seely says, "Germany, Italy and perhaps England could be expected to aid the Polish government." Again, "Russia would like nothing better than a general European War in which she was *not* involved—it would greatly strengthen her position—but in spite of herself her theory of government is the principal reason why such a war has not taken place, and why such a war is entirely out of the question for a long time to come—if ever." "The English ruling class has little or nothing to fear from Fascism or Nazism, but it fears and hates communism."

Commander Seely writes as if everyone approaches the subject matter with the same bland ignorance which he claims for himself. "As the final proofs of this book have now been corrected," he writes, "I should like to state that I have never attended a Communist, Socialist, Fascist or Nazi meeting, nor have I yet read a single line in any standard work on those subjects." Instead, as his publishers advertise, "he walked *aimlessly* (italics mine) about in many great cities, mingling with the multitudes in order to study the people at close range."

A small part of his year and a half of travel and his visiting to thirty-eight countries was spent in China. He repeats many threadbare clichés—a Chinese would starve to death before a rich Chinese would give him a crust of bread; foreigners abuse "lower class Chinese;" no one except missionaries believes that "even one adult Chinese has ever actually been converted to Christianity." His conclusions on China are that Japan can govern China better than the Chinese themselves; therefore she should have the opportunity; that the U.S. should withdraw all forces immediately.

This book is both biased and immature. Something more than naval experience, age and travel are needed for a balanced and sane attitude on international affairs.

F.M.R.

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